

Pamphlets on East India
Company

1812

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THE
QUESTION
AS TO THE
RENEWAL
OF THE
EAST INDIA COMPANY'S MONOPOLY
EXAMINED



EDINBURGH:

PRINTED AT THE CORRESPONDENT OFFICE,
FOR SILVESTER DOIG AND ANDREW STIRLING, EDINBURGH; CRADOCK AND JOY,
LONDON; THOMAS KAYE, LIVERPOOL; AND A. AND D. SCOTT, GLASGOW.

1812.

THE following train of reasoning appeared originally in several successive numbers of the EDINBURGH CORRESPONDENT Newspaper, and was so fortunate, even in that imperfect form, as to obtain the most flattering notice of the Mercantile Gentlemen engaged in opposing the renewal of the East India Company's charter. This circumstance induced the author to give his papers a hasty revision, and to submit them to the public, in a shape better calculated to make a lasting impression on the great question, of which he had undertaken the examination. In the present work, he has endeavoured to give such a view of the several points connected with the Company's monopoly, as the very limited period prescribed to him, by the object of the publication, would permit.



QUESTION, &c

THE affairs of British India, which have so long been involved in impenetrable mystery, seem now destined to meet the deliberate investigation of the legislature and the country. The steady and enlightened zeal in the cause of commercial freedom, by which the merchants of Great Britain are distinguished, has been most laudably devoted towards securing such a full and liberal discussion of the questions connected with our Indian commercial policy, as cannot fail to add greatly to our stock of commercial and political knowledge, whatever may be the ultimate decision of the legislature on the measures about to be submitted to its consideration.

THE correspondence betwixt the present Lord Melville, then president of the board of controul, and Messrs. Parry and Grant, of the East India Company, relative to the conditions on which the company might expect the support of government for the renewal of their charter, which terminates in March 1814, has very naturally inspired the mercantile gentlemen with the highest confidence as to the ultimate triumph of their cause. The first branch of this correspondence embraces a variety of topics connected with the affairs of India, together with some suggestions on the part of the company as to the contributions to be expected from government, towards providing for the extraordinary Indian expenditure which may be required in the new posture of European affairs. On several of these topics a very marked difference of opinion appears at the date of the correspondence to have subsisted betwixt government and the company, which Lord Melville expresses without reserve or hesitation. His letter is closed, however, by two propositions, in reference to the renewal of the charter, which the gentlemen acting for the company have justly deemed of the highest importance—the opening of the trade with the countries comprehended in the company's charter to all classes of British subjects, in vessels fitted out or freighted by themselves; and a change in the military system of India, which will abolish the invidious distinctions now recognised

between the British and native troops. The directors were at no loss to comprehend the import of Lord Melville's first proposition; they rightly understood it to express the determination of government, that the trade to India should be thrown open, and, of course, that the commercial monopoly of their constituents should be substantially abolished. Under this impression, they prepared and transmitted a grave and elaborate remonstrance against so alarming an innovation, from which they anticipate nothing but disappointment and ruin to the private adventurers, together with the subversion of the company's establishment and of the British dominion in India. In examining the arguments of the directors against a free trade, and the pretensions which they so arrogantly make to an exclusive capacity for conducting the affairs of British India, an endless variety of topics naturally suggest themselves. If the author, however, shall succeed in establishing against the company the following propositions, he humbly presumes, that no rational doubt can any longer be entertained as to the expediency of legislative interference for the unqualified abolition of the monopoly.

1st, That the exclusive privilege of trading with India, and the other countries included in the company's charter, is utterly incompatible with the

most liberal and enlightened views of political economy, and equally prejudicial to the interests of the mother country and the colonies.

2d, That the whole history of the East India Company's transactions bears the most convincing testimony to the soundness of the general argument; and that in no shape has the establishment of the monopoly proved beneficial either to the proprietors or to the country.

3d, That the objections made by the company to a free trade are quite puerile and unsatisfactory, and that no possible danger could result from such an innovation in the old system as would bestow on the private trader even the most unlimited freedom of trade and intercourse with India and the other countries now embraced by the monopoly.

4th, That should the company refuse its acquiescence in so wise and salutary an arrangement, there would be but little difficulty in the direct assumption of the government of India by the crown; an event which it is to be hoped would place the free trade on a sure and permanent basis. But before proceeding to the illustration of these propositions, a few remarks of a more general and preliminary nature must be premised.

THE first thing which strikes an inquirer into the merits of our Indian policy, is the strange and mysterious style in which most persons are accustomed to speak and to write upon the subject, as if, when examining any question relative to India, there existed a plain and indisputable necessity for laying aside all the received principles of commercial and political science, and for abandoning even the most familiar maxims of common sense and sound reasoning. The affairs of India, we are told by those who profess to be particularly conversant in them, are quite different from the affairs of all other countries, and must be regulated by a separate and distinct set of maxims, which are known only to a few who are profoundly skilled in the endless details of this most complicated subject. There is something, it is pretended, in the climate of Asia—in the physical constitution of the eastern nations, as well as in their laws, manners, and religion, which must for ever baffle those European politicians who may presume to interfere in the legislation of the Asiatics. We are told to look for the aid which is to supply the defects of our ordinary notions in the intelligence and wisdom of the laborious persons, who have industriously heaped together, for the edification of Europe, all the rubbish of Hindoo literature, and on whose testimony, in such a case, there must always rest the strongest suspicion, on account of the dangerous

bias which their opinions must have received from the influence of the power to which they owe their being and reputation. It is quite amusing to observe the influence which these flimsy pretensions exert, even over men of strong understandings, when they come to treat of the affairs of India. So successful, indeed, have the politicians, who are supposed to have a peculiar and official knowledge of Indian affairs, been in imposing this singular delusion on the public, that even the statesmen to whom we are accustomed, on all other subjects, to listen with acquiescence and respect, are heard with the most scrupulous and unaccountable distrust, when they come to deliver their sentiments on the complicated and hitherto mysterious subject of Indian policy.

It may be asked, why we should not, without the slightest hesitation, apply to our Indian policy precisely the same maxims which, in all other affairs, are deemed a sure test of right and wrong in legislation; and why we should refuse, in this instance, to pay our customary deference to those names whose authority is in all other cases admitted without reluctance? We know very well indeed that the climate of India differs very much from that of England,—that the Hindoos are a far more indolent race than the English,—that their laws, habits, and religion, are materially different :

and yet it is not easy to discover how all this should establish such a wonderful distinction, as to render every scheme of policy which would be applauded in Europe, wholly inapplicable to the condition of Hindostan. As no man of sense can ever be brought to believe in any permanent or material difference betwixt the great features, moral and intellectual, of the Asiatic and European characters, we may therefore, with entire safety, reject a distinction which is brought forward only to serve as a support to some weak or foolish argument, or an auxiliary to an interested and selfish plan of policy and legislation; and it may be safely and confidently affirmed, that in Asia, as well as in Europe, that is the best system of government which most effectually promotes the great ends of liberty and protection to its subjects, at the least possible expence of their lives and fortunes; and that the best plan of commercial intercourse for India, as well as for England, is that which ensures the perfect freedom of individual industry, while it offers the most splendid rewards to the successful exertion of individual talent, and the most promising hopes to the fortunate issue of individual enterprise and speculation. It is impossible to believe, that there is any thing either in the climate of Asia, or in the condition of its inhabitants, which should prescribe a system of government for them materially different in its principles from those

which are recognized in Europe; or that an upright and vigorous administration of justice, a powerful establishment for defence, a system of prudent economy on the part of the administration, and a free and unrestrained intercourse of trade, should be at all of an equivocal or dangerous influence in modifying the character of the Hindoos, and in carrying their country to the highest pitch of opulence and power, which is compatible with its circumstances and resources. If the author be wrong in this general position, which shall be assumed as unquestionable in all the subsequent discussions, he must fairly acknowledge, that amid all the extravagancies which he has heard and read upon the subject, he has been unable to discover any thing sufficient to shake his settled and deliberate conviction.

It is scarcely necessary therefore to mention, that there are but few principles of a policy purely Indian, which may be applied in the course of the present investigation—and that in spite of all the clamour, which will naturally enough be raised by the zeal of an interested faction, the whole question must be brought to issue on the hypothesis that such a book as the *Wealth of Nations* really contains principles which do not altogether lose their force when applied to the affairs of India. In spite of all the sophistry and declamation which the

tors of Leadenhall-street can bring into play on the subject of their powers and privileges, the leading doctrines of moral and political science possess a significance and application wherever men are found,—an application whose limits are confined only by those of human society !

1st, IN conformity, therefore, with the above principles, it must be pronounced a most absurd and preposterous thing, that an association of merchants should be vested with the sovereignty of an empire, far more populous and extensive than that of which they themselves form but a small and comparatively insignificant portion. The causes, in a great measure accidental, of this singular phenomenon in politics, to which neither ancient nor modern times can afford any thing like a parallel, are well known as matter of history. But whatever these causes may have been, it deserves always to be remembered, that the East India Company, which has no higher rank than what belongs to the greatest mercantile society in the world, is in the actual possession of one of the largest and most fertile of empires, and enjoys at present the full and unqualified monopoly of a trade, which, estimating its value by the fertility of the soil, and the number of the people to whom it extends, ought to leave the trade of all other countries far behind it in extent and importance. It must be superflu-

ous to urge against such an arrangement all the ordinary topics of censure and reprobation—to declaim on the utter unfitness of such a society at once to play the parts of sovereign and merchant—or to dwell at length on the gross and striking impropriety of bending under the yoke of such masters a territory of almost boundless extent and fertility. It must be equally superfluous to remind the reader that the government of the company, like that established in all the other oriental states, is a pure despotism ; and that under such a government there exists no security for the happiness of the governed, except in the wisdom and benevolence of the administration. It must be unnecessary also to remind him, that the interest in the welfare of India which may be expected from the proprietors and directors of the company, is really the most feeble and unsteady that can possibly be imagined ; and that, of course, every thing might be expected from their administration, rather than a regard to the comfort and happiness of their subjects. From the very nature of the association, the interest of individual proprietors must be feeble and transient, because their great object in connecting themselves with the society at all, is to secure a certain share of influence and patronage ; the exercise of which, to the fullest extent, is not by any means compatible with a disinterested regard to the prosperity of the governed. It seems quite natural to expect from

such a government nothing but avarice, rapacity, and oppression towards its subjects. But all this is so very apparent, and has already been so frequently pressed on the consideration of the legislature, that the topic may be safely dismissed, without encumbering the simple statement of it with further comment or reflection.

BUT if the natural and apparently incurable defects of the company's administration of the government of a great empire be thus apparent, the objections which at first view present themselves to the commercial monopoly by which the political rights of the company are fortified, seem to be infinitely more formidable. There is no feature, perhaps, of the policy of an unenlightened age which is more strikingly incompatible with the fair enjoyment of individual rights, or the rapid progress of general prosperity, than this same system of monopolies, and none, certainly, whose absolute incongruity with the improved notions of an advanced period is more manifest and palpable. What can be more capricious and unjust, than the selection of a few favoured individuals, for the exclusive enjoyment of all the commercial benefits to be derived from an intercourse with distant nations, while the rest of their fellow citizens, whose character and pretensions are in every respect as favourable, remain the idle and discontented specta-

tors of the advantages secured to their more fortunate rivals? It is essential to the prosperity of commerce, that it should be free and unconstrained; that the adventurer should be left to the exercise of a discretion the most unerring, because supported by the steadiest and most powerful motives; and that he should receive from government the most ample protection for his rights, in order that he may be enabled to proceed without timidity or hesitation. But can any invasion of his rights be more gross and insulting than that which is accomplished in the shape of a monopoly, excluding him from a participation in the profits of a great and lucrative trade, which opens the widest and most promising field for his skill and enterprise? Every grant of monopoly is a gift out of the great commercial patrimony of the state; and while it is the duty of a wise government, like a kind and affectionate parent, to consult the welfare of all its subjects, it is no wonder that much murmuring and discontent should be excited by a capricious preference in the distribution of the common inheritance, which secures a large and valuable estate to a favourite child, while the others are calmly abandoned to look for support and protection to the unassisted efforts of their own talents, or the favourable events of their own fortunes. This ungenerous partiality and unfair abridgment of natural right, are implied, however, in every establish-

ment of commercial monopoly, and afford, independently of all other considerations, a strong inducement to the immediate discontinuance of such of them as still triumph over the good sense and liberality of the present age.

It might have been deemed very superfluous indeed, at this time of day, to have said one word on the subject of commercial monopolies—the narrow views of policy in which they have originated—their deadening influence on industry—and the heavy restraints which they impose on the progress of national wealth, had it not been for the strange tissue of reasoning which is employed by the court of directors, in their correspondence with Lord Melville. When they attempt to prove that the trade to British India will, from circumstances which are in a great measure beyond controul, admit of no extension from the utmost freedom of private enterprize, their argument, how inaccurate soever, is at least guiltless of any glaring inconsistency with the great doctrines of political economy; but when they come to defend the monopoly, on the ground that the competition of private adventurers will in India enhance so much the price of every article, that the company will be unable to buy, and in Europe reduce the price so much, that the company will be ruined by selling—when they come to talk of something in the constitution of

the Hindoos, which will prevent them from raising the supply, so as to meet an increased demand for their commodities, and begin to state their curious arguments for confining the trade of India to the port of London, it must excite no small share of astonishment, that paradoxes so whimsical and obsolete should at the present day find such advocates. Nothing but the unexpected appearance of these prejudices in such a quarter could have justified a single observation on the hacknied topic of commercial monopolies, upon which it has been vainly believed that the enlightened policy of modern times had indelibly fixed the character of public nuisances.

To justify the gross invasion of the rights of the commercial body, which is committed in every case of monopoly, it would be necessary to prove that the scheme is attended with various and important advantages; that it tends to promote industry and opulence throughout all classes of the community; and gives a better and wiser direction to capital than it would take without the aid of law, and the interference of legislative wisdom. Even if all this could be plausibly maintained, there are persons who might still have their scruples as to the equity of the principle which, for the sake of speculative and undefined advantages, would authorize so arbitrary a restraint on the common rights

and privileges of the community. But if it can be proved, with the utmost certainty and precision, that the reverse of all that has now been stated is true, and that the inexpediency of such a system is not more manifest than its injustice, we must be disposed to wonder, that the most unqualified decision on the merits of the present question has not long ago been finally and irrevocably pronounced.

THERE is no political contrivance which, in all its shapes and forms, has fallen so much into discredit among thinking men, as this same contrivance of monopoly. They have zealously and successfully pursued its advocates through all their mazes of sophistry, and have fairly brought to light the intolerable evils, which are not merely incidental to an injudicious and impolitic scheme of exclusive privileges, but are inherent and essential to the very being of monopoly, even under the wisest regulations. It has been proved in a thousand different forms, that a trade, not supported by the profits which it is calculated to yield, but remaining dependent for its continuance on extraordinary immunities and privileges, secured at the expence of those who do not participate in its gains, is necessarily a losing trade to the public, whatever may be its result to the individuals by whom it is conducted. It is needless to enter into any very nice

or abstruse reasoning in support of this proposition, since it admits of the easiest illustration, by a reference to the most familiar principles which guide the conduct of individuals. No man will persist in devoting a portion of his funds to an employment which does not yield him an ordinary return, without assistance from other sources, or the sacrifice of other advantages;—and it may be assumed, as a general proposition, which in questions of political economy holds true, with very few exceptions, that the same maxims which an individual will find prudent in the management of his private affairs, will not prove of doubtful application when applied to the wealth of nations. The trade, therefore, which requires a monopoly for its support, is in itself a losing trade, and can never, with any regard to the most obvious maxims of policy, receive the countenance of the legislature, unless it be found subservient to higher interests, which could not in any other shape be so effectually consulted.

THE exclusive privileges which in days of ignorance were allowed to fetter the internal commerce of the European states have gradually disappeared, except under the most stupid and ignorant of European governments, of whose imbecility their remains are now held to be one of the surest tests. But the case is not much better when, in place of the trade of the parent state, that of its

colonies is subjected to the influence of exclusive privileges; for, independently altogether of the consideration, that the colonies must, in every view of enlightened policy, be held to be integral parts of the empire, there have been applied to the case of colonial monopolies, one or two arguments, which must insure conviction whenever they obtain an impartial hearing.

WHERE a monopoly of colonial trade, such as that of the East India Company, is established, it is quite obvious that one of two consequences must follow—either the monopolists are fully qualified to conduct the whole trade in the very best manner, or they are not able to do this, and could not stand the competition of the private merchant. If the first hypothesis be admitted, then the grant of exclusive privileges is a very foolish and unnecessary measure; since the grantees are, in truth, the very persons into whose hands the whole trade would inevitably fall in the natural course of things; and the monopoly can serve no other purpose than to excite unirmurs among those who may be apt to entertain the erroneous notion, that they themselves could successfully compete with the monopolists, were all restraints withdrawn. But this hypothesis is never admissible in any case of monopoly; for it is so obviously beyond the power of human foresight and wisdom to establish prospective regulations for the

complicated affairs of a great and increasing branch of trade, that the exact adaptation of the means to the end will never be credited by any man of common understanding. There remains, therefore, but one alternative, that the monopolists are really unfit for the most beneficial discharge of the trust reposed in them—that they are without the vigilance, capital, and talents, which are required to the best management of their concerns; or, in other words, that the affairs of their trade are necessarily and inevitably conducted by them, to the great loss and inconvenience of the public.

NOR is it a matter of any difficulty to point out the precise way in which the loss is sustained by the country, which is unhappily led to sanction so preposterous an arrangement. The industry of the parent state can be promoted only by a demand for its manufactures; and this demand can be increased in no other way but by competition among the buyers. The same obvious and invariable maxims of political science apply also to the case of the colony, whose progressive improvement in industry and opulence forms the only lawful object of the policy of the parent state. But when you grant a monopoly, you destroy this competition—you make the monopolists the only buyers both at home and abroad—you make them also the only sellers—in short, you destroy, in so far as it is possible for a narrow and

misguided policy to do so, all the great springs on which the prosperity of nations must for ever depend.

BUT it has also been so often proved, that many persons must by this time be sickened with the repetition of the argument, that monopolies have a twofold operation in diminishing the sources of opulence—that they check industry by narrowing the competition of buyers, and enhance prices by limiting the number of sellers. Every man buys as cheap, and sells as dear as possible; but the monopolist alone is enabled to do this without hazard or apprehension. There exists no competition to restrain the unbounded avarice of his nature; and in the free indulgence of the most selfish of passions, he is enabled, with one hand to check the industry of the poor, and with the other to narrow the enjoyments of the rich. There is but one way of promoting industry with effect, to increase the demand for its productions; and there is also but one way to extend consumption—by lowering the price of the articles consumed. Under these two heads may be ranged almost every proposition in the science of political economy, as well as every rational scheme for accelerating the progress of opulence; and yet it is not a little singular, that the attainment of both of these great ends forms the very objection which the East-India Company

are pleased to state to the abolition of their commercial monopoly. They complain, that private competition will enhance the price of Indian commodities—that is, will encourage industry among the subjects of the British government in India; and, with perfect consistency, they complain also, that the same private competition will lower in the home market the value of Indian produce—that is, will greatly extend the consumption. There is much candour to be sure in this undisguised form of stating the claims of the company; because the legislature can be at no loss as to the character of the commercial advantages which are to be expected from a prolongation of its privileges; but it was perhaps too much for the directors to demand that the public should make sacrifices of such importance, without the clearest evidence that the British power in India must perish with the dissolution of the company; and that the company itself must perish with the abolition of its commercial monopoly.

SUCH is the short and conclusive argument against all monopolies; and as its tendency appears so very obvious and unavoidable, every person of a liberal and enlightened understanding must be deeply mortified by the necessity which renders its repetition, in every possible form, incumbent on all those who are anxious to take a share in the present mo-

mentous discussion, for rescuing the trade of India from the degradation into which it has notoriously fallen under the management of the East India Company. The specimen which we lately had of the views entertained by the directors on this subject, and of the arguments by which they attempted to give them plausibility, affords a melancholy proof, that in the course of the ensuing contention betwixt liberality and prejudice, it may be very unsafe to presume upon the general admission even of the most familiar principles of political science. Let it be remembered then, that the commercial privileges of the East India Company are repugnant to the most obvious maxims of commercial policy, and utterly at variance with the prosperity of England, as well as of India.

WHAT has been already stated is, with some limitations, true of all monopolies; even of these which leave scope for the enterprise and vigilance of the private traders of a particular province or state. But the argument applies with tenfold force to a monopoly so very narrow as to include only a single commercial association, so constituted, as to forfeit entirely all the benefits derived from the powerful stimulus of private interest, and the controlling restraint of private inspection. Such an association as this, while it deprives industry of all the advantages derived from a free competition,

and sacrifices the interests of the community to the prejudices of a few individuals, is so ingeniously contrived, as to forfeit even for the grantees all the commercial benefits which they might otherwise promise themselves from the partiality of government. The strong stimulus of individual interest, and the benefits of private vigilance being lost by the very constitution of the society, the inference is no less inevitable in theory, than we have found it invariably justified by the event, that such an association, with all its other privileges and immunities, could not, even for a single day, sustain the competition of the private merchant—nay, that even when secured against this competition, such are the negligence and waste inseparable from its plan of administration, that it cannot, with any rational prospect of success, hope to continue its commercial undertakings. How accurately these general reasonings, which monopolists alone deride as speculative and visionary, have been verified in the history of the East India Company, and how slender has been its power of profiting even by the ample privileges showered down upon it by the careless bounty of the state, shall be afterwards shewn by a reference to documents of unquestionable authenticity. Such are the profusion and waste inseparable from the company's mode of management—such the dilatory and thoughtless manner in which its commercial affairs are conducted, that it now forms a

charge against the company, as unanswerable as it is disgraceful, that the competition of America has fairly driven them out of every market into which an American is permitted to enter. The dispatch and economy with which the Americans conduct their share of the trade of India, form a notorious contrast to the tardy and expensive manner in which the business of the company is managed—and although without either the capital or the skill which England could readily afford, we have the authority of the proprietors themselves, at a late meeting, for asserting, that wherever the Americans can come into competition, they uniformly expel the company from the market. We shall afterwards see with what peculiar advantage, in point of gain, the East India Company has been enabled to conduct its mercantile business, and shall have an opportunity of explaining the probable motives, which, in spite of almost uniform loss and disaster, still tempt the company to cling to the renewal of their charter, with all its ancient fetters on the general commerce of the British islands.

To such persons as are acquainted with the present state of the East India's Company affairs, it may appear quite superfluous to number among the evils resulting from every scheme of monopoly, the chance that it will not provide a capital adequate to the trade included in the grant of privileges, because

it is now unfortunately too well known that the company is not only without capital of any kind, but deeply immersed in debt, from which there is no prospect of its speedy extrication. But it belongs more to our present view of the subject, which is quite of a general nature, to remark, that the evils alluded to can scarcely ever be avoided, where a monopoly is established, which comprehends a very extensive branch of trade; since there is no chance that the capital fixed for the company should ever be well adapted to the exigencies of trade, however small; and still less probability that an association should be formed sufficiently numerous and opulent to embrace all the objects of an extended commerce. We believe it impossible even for the wisdom of the legislature to calculate prospectively the amount of the capital which may be necessary to conduct the trade of India, while it is altogether absurd to suppose that an association, sufficiently comprehensive in point of capital, should be formed so as completely to accomplish the commercial objects of the establishment. To suppose that all this is to be effected, is in fact to suppose a coincidence almost miraculous—to believe that the legislature, while occupied in securing the objects of a company of monopolists, should accidentally stumble on such an establishment as may include the very same capital which, in a state of perfect freedom, would be employed in that particular branch of trade. But all

this is quite incredible—and we are, therefore, compelled to suppose, that in every case of monopoly, at least in every case where the exclusive privileges are bestowed on an association like the East India Company, there is the greatest risk that the capital of the monopolists will be found totally inadequate for the purposes of their establishment. That this has been always the situation of the company we have every reason to believe—that such has been its condition for many years we have very unexceptionable authority for maintaining—for we have the evidence of the most distinguished persons connected with the affairs of India. The Marquis Wellesley, while at the head of the company's government in India, candidly declared his sentiments on this point to the court of directors; while the late Lord Melville, in terms not quite so precise perhaps, but of similar import, intimated to the company, that the known insufficiency of their funds prescribed the partial encroachment on their privileges, which was determined on in the year 1800, by the admission of India built ships to a share in the homeward trade. Were the company in its present circumstances to confine its trade within the bounds of its capital, we should have little reason, indeed, to dispute on this point; for it is well known, that what of the trade of India still remains to the company is now carried on by the most destructive of all expedients in a mercantile point of view,—the

borrowing of capital at such a rate of interest as the profits of the trade, under the company's management, never can compensate. But the opinions to which we have already made reference, were given at a period when the company was still believed to be solvent, and, of course, when as large a portion of capital was devoted to the trade as the nature of the monopoly and the circumstances of the company would permit. Here, again, as on every other occasion, there seems to be a most striking coincidence between the deductions of theory and the results of experience, with respect to the commercial affairs of the company—a coincidence which can be explained on no other supposition than that the mismanagement and imbecility which belong to the very constitution of the company, as a mercantile body, are so palpable and obvious as to preclude all chance of these errors, which are too often chargeable on the inferences of theory and speculation. But the commercial character of the East India Company is ascertained by marks too unequivocal to admit of any mistake of this kind. And none of them, perhaps, is more strikingly offensive and revolting, than that to which allusion has now been made—the acknowledged inadequacy of the company's capital to embrace the trade, over which they would still arrogate an exclusive controul, and the inevitable tendency of such controul to keep

down the industry, manufactures, and trade of India in a state of hopeless vassalage and degradation

BUT there is still another circumstance connected with the state of the East India Company, since its immense territorial acquisitions have been made in India, by which it is most unfavourably distinguished from almost every other monopoly, and aspires to a pre-eminence over every other faulty and impolitic establishment. The circumstance to which we allude is that unfortunate combination of the incompatible functions of merchant and sovereign, which must for ever preclude all advances in commercial improvement, while it completely sinks the subordinate in the higher and more interesting character. It is surely not the least of the objections, in a general point of view, which suggest themselves to the present constitution of the East India Company, that it assigns to the directors, different classes of functions, which cannot all of them be well discharged by the same persons; that, as sovereigns, it gives, or at least ought to give, them an interest in the welfare and prosperity of the British dominions in India, which is necessarily inconsistent with their views as monopolists; and, of course, that it ensures the inadequate, partial, or oppressive exercise of one or other of the branches of that power which has been entrusted to them by

the legislature. If the sovereign of any European state had also an entire monopoly of its foreign trade, what are the consequences which every man of common understanding would anticipate from so preposterous an union of different or rather opposite characters? would he not expect, with the most perfect confidence, either that the trade would be rendered quite subservient to the temporary and fluctuating schemes of administration, and of course would sink quickly into insignificance; or that the paternal interest, which is natural even to the worst of governments, in the prosperity of its subjects, would be shamelessly abandoned, for the ignoble pursuits of unlawful gain, at the hazard of committing the greatest oppressions on the labouring and industrious classes of the people? The case is precisely the same with India: the company, as sovereigns, ought to feel an interest in extending the manufactures and trade of India; but, as monopolists, it is clearly their business to compress them within the narrow limits which are found suitable to their own circumstances and resources. Even if the company had the best intentions in the world towards the trade of their Indian territories, it is quite impossible that they should be able to carry them into effect so long as the monopoly remains untouched; and should they act on the principles, and yield to the feelings, which belong to the nature of their establishment, they sink the sove-

reign in the monopolist, and forfeit, for the extensive regions under their sway, the moderate chances of prosperity, which are never lost, even under the most absolute of ordinary despotisms.—To all those manifest evils of a more general kind, which seem to be obviously inseparable from the commercial monopoly of the East India Company, let there be added the melancholy and discreditable ignorance on the affairs of our Indian empire, which pervades all classes of the people, and which is, in a great measure, the result of a system that assigns to the company the sole interest in these affairs, and you will form, after all, a very imperfect idea of the mischiefs which are fairly chargeable to the account of our Indian policy. Let it be remembered, that few people know any thing of India ; because there are but few who can expect to profit by that knowledge ; and that the disgraceful ignorance which prevails on almost every topic connected with our Indian affairs, must multiply to an incredible degree the risks we must always run of losing an empire which we have hitherto maintained, and must always continue to hold, by a tenure the most precarious and uncertain. Let it be also remembered, that the origin of the monopoly, of which we now hear so many loud and merited complaints, belongs to a period of our history, when the affairs of our commerce were little studied and still less understood—that the age of

Queen Elizabeth was not remarkable for very enlarged notions either of policy or legislation—that the antiquity of the establishment affords, therefore, in the present case, no presumption for its expediency; and that, while all impartial persons, who have at any time conscientiously hesitated on the general question of commercial monopolies, have been gradually coming round to the side of justice and liberality, the exclusive and invidious privileges of the company are now scarcely ever mentioned without reprobation, except by the proprietors themselves, and a few interested advocates, whom they have been compelled to hire for their justification.

In this general and preliminary view of the question, it deserves also to be remarked, that the only argument in support of monopoly, to which the author of “*The Wealth of Nations*” seems disposed to allow any weight—the insufficiency of private capital, without combination, to conduct the trade—is not even alluded to by the directors; and even if it had, would have been triumphantly refuted by reference to the notorious and unprecedented accumulation of capital, which we owe to the commercial genius of the British nation.

THE commercial monopoly of the East India Company seems, therefore, to be at variance with

all the principles of a wise policy—to be an unnecessary, and therefore unjust, invasion of the general rights of the mercantile world—to be in its very nature and principles alike incompatible with the manufacturing and mercantile interests of England as of India,—to be a source of obvious detriment to the nation, as the most expensive and least efficient mode of conducting a great branch of trade, which it, moreover, reduces to perfect insignificance, by narrowing the capital destined to its support—and to exhibit such an unnatural and monstrous union in the same set of individuals, of the incompatible characters of merchants and sovereigns, as implies a sure and fatal sacrifice of one or other of the great objects which it is the purpose of this unwieldy establishment to accomplish. With all these evils, besides, there seems to be hardly any mixture of good ; for the great sacrifice made by the public is unhappily rendered unavailable to any private interest of the parties, which they can lawfully avow ; and, although it may prove subservient to the views which they and their friends entertain, of sharing in the power and patronage of India, has been found utterly inadequate to the increase of the lawful emoluments of their mercantile pursuits. In all this we have advanced nothing which has not been repeatedly proved by the most eminent writers on the science of political economy, and most amply verified in the experience and history of the East India Company itself. For the

mischiefs of such a system, it may be worth while to inquire whether compensation has been found in any part of the company's transaction—whether the wisdom and virtues of that society, whose members now demand, in terms so lofty, the continuance of all their exclusive privileges, have been discoverable in any one branch of their affairs; whether, in short, the company has in past times done any thing for England or for India, which might not have been as well, or better done, had the company never existed. The reasoning already submitted would be irresistible were the company coming forward, for the first time, to make the demands which they now press upon the government; but the case may be quite different, and some further inquiry may be deemed requisite before pronouncing a decision on its present claims, which are limited to the renewal of privileges long ago conferred. There may be much to praise in the past conduct of the company—much to refute every inference as to its character, deduced from principles merely speculative, as they are called—much to give them a strong claim on the gratitude, and even on the justice of the country. All this, to be sure, is asserted by themselves and their advocates; and in order to appreciate the import of the plea thus maintained against the general rights of British merchants, it is necessary to take a brief retrospect of the past conduct and fortunes of this mighty establishment. The result of this retrospect

will, it is presumed, completely establish the absurdity of all their pleas; and prove, to the conviction of every reasonable man, that but few things have been well, or prosperously done, with which the company has had any sort of connection; and, that in these instances in which their political schemes have been crowned with success, all that has been gained might with more perfect certainty have been anticipated from the operation of a system, in which the very existence of the company needed not to have been recognized. But before proceeding to a short account of the past history and present state of the company's affairs, it is necessary to advert to some pretensions set up by its defenders in the course of the present controversy, which seem to take for granted, the existence of vague and undefined rights on the part of the company, that cannot be acknowledged without imposing on the ensuing deliberations of the legislature certain restraints, which a little sophistry and artifice may readily turn against the just and reasonable claims of the united body of British merchants.

It cannot be necessary to enter into a very full investigation of the pretensions which the company seems disposed to make, to an exclusive right of dominion over the vast territories which have been acquired by the genius and policy of their servants,

civil and military; because this wild notion has been most pointedly discountenanced by Lord Melville, and is really a great deal too absurd to merit a serious discussion. If it were well founded, there would indeed be an end of the present question; for if the extensive empire of British India were in truth the absolute property of the honourable company of merchants, nothing could be more preposterous than any claim on the part of their fellow subjects to a participation in the profits and emoluments which it may afford. But it may be safely affirmed, that this is the first time that any subject or class of subjects has thought of laying such a claim to foreign territories, whether of their own acquisition or not, as to render their possession of them independent of the paramount authority of the state. But if the indefinite, and rather unintelligible language held in the correspondence, have any meaning at all, it must amount to this; that the right of the company to these boundless regions, is such as to preclude the interference of the legislature in the arrangement of their commercial concerns. Either all this is meant, or nothing is meant at all; and the argument is quite inapplicable in a question respecting the general admission of British subjects to the benefits of the Indian trade. If the company are entitled to state their rights in this broad and ample form, they are entitled to claim, in direct terms, the absolute and

unqualified dominion of British India ; they would be justified in throwing off entirely the controuling power of the parent state ; they may begin to-morrow, if they choose, to exercise all the rights of sovereignty ; and may, if they think proper, cede the whole empire to the enemies of Great Britain. All this would result immediately from their right of dominion, did it exist ; and, therefore, it is impossible that it can exist.

THE next pretension of the company is of a different and more unassuming character. Besides the broad and palpably inadmissible claim, which has now been examined, another somewhat more modest, though perhaps not on that account less embarrassing, has been stated at a late meeting of the proprietors, for a compensation to the company, out of the public purse, in case the legislature shall determine on throwing open the trade. Now it is not easy to comprehend the grounds of this claim ; but it is very easy to conceive, that its sly introduction may, at a crisis like the present, throw serious obstacles in the way of any change in our Indian policy. The directors, no doubt, entertain some well-founded apprehensions, that they may be speedily compelled to abandon all the pleas by which they would attempt a direct opposition to the demands of their fellow-citizens ; and they are wise enough to perceive that they may find a

strong reserve in any argument which would render a gift from the public revenue an unavoidable preliminary to the success of their antagonists. There are but two grounds on which the company can rest this novel claim of compensation—they must be prepared either to deny altogether the right of the legislature to interfere in the regulation of the trade to India—or they must undertake to prove, that although, according to the strict interpretation of their agreement with the public, no such proposition can be asserted, still they have been secretly and indirectly seduced into such measures as could have originated in nothing but a belief that their monopoly was still to be preserved to them entire and unimpaired.

On the first of these suppositions, it must be needless to say a single word; for, besides that the whole commercial rights of the company depend on the terms of their charter, which it remains with the legislature either to renew or discontinue, as it may deem most expedient for the public, the whole tenor of the correspondence betwixt the minister and the company, implies, what indeed could never be doubted—the conviction of the directors, that their constituents must, on the expiration of the present charter, be wholly and entirely at the disposal of parliament. On the strict interpretation, therefore, of the rights

already conceded to them, they can found no claim to the compensation which they so strangely propose to demand—and there remains, of course, but one question—whether, in good faith and equity, their pretensions are entitled to more regard than they can have from the strict notions of law? And here we may call upon the directors to specify when, and from whom, they received any pledge that their commercial monopoly would, when a natural period should be put to their present rights, be reserved to them—what evidence they have that such a pledge was ever given them—and, above all, what proof they have in store to convince the public, that by such assurances and belief they were ever misled into any measures of which, were their charter annulled to-morrow, they would have any good reason for repentance. Should they tell us of the extensive schemes of conquest, which, within a few years, their officers have been so fortunate as to accomplish, the answer is ready, that, on the remaining period of their charter, they must have reckoned for the reimbursement of their extraordinary expenditure—that if their hopes have been disappointed, the failure has been quite accidental, and by no means unusual in such undertakings; and, at all events, that, in so far as an ultimate compensation is to be expected from the growing revenues of the conquered provinces, that source may, for any thing urged by the petitioners, still

continue untouched. But the truth is, that they had but little reason to expect that their monopoly should at any one period of its natural termination be renewed; for, besides the obvious impolicy of their privileges, they have long known that the sense of the country has been very decidedly against them. The claims of the mercantile world, and the general dissatisfaction of all classes, on account of the East India monopoly, might have conveyed a pretty sure intimation to the company, that their commercial existence was about drawing to a close; and must, at all events, serve as a complete answer to any claim on the part of the company for a compensation, should the legislature decide on throwing the trade open to the capital and enterprise of the private merchant. We cannot indeed discover that this claim has the slightest foundation in any view of the company's condition, nor that it should have any weight whatever when Parliament shall come to the solemn discussion of the complicated affairs of our Indian empire.

2d, In defiance, however, of every thing which has been urged by politicians and philosophers, to prove the injustice and inexpediency of all sorts of monopolies, and in particular to bring into discredit the monopoly enjoyed by the East-India Company, the more daring advocates of this monopoly have, on various occasions, attempted to refute those arguments, by

a confident, and even triumphant reference to the history of the company, its present greatness and prosperity, as well as the numerous advantages which it has secured for the commerce and revenue of England. Were there any truth or solidity in the view which has been taken of the subject by the defenders of the company, it were impossible to resist the preponderance of practical knowledge over the deductions of mere theory, however plausible or consistent; but a very little reflection will be sufficient to convince every one that a bolder attempt than that of the above persons has seldom been made, to impose on the ignorance or thoughtlessness of the public.

To estimate fairly the merits of the system which has been pursued by the company, it is needless to go farther back than the year 1784, when the attention of the legislature and the country was imperiously called to Indian affairs, by the profligacy, abuse, and mismanagement, which seemed to mark the whole of its proceedings. It had at this period become quite notorious, that the oppression exercised by the company's servants abroad, over the independent princes of India—the princes in alliance with the company, as well as the provinces which had submitted to the British government,—were such as to endanger the very existence of the British name in India. So very critical and alarm-

ing was the state of British India then deemed by the legislature, that after most elaborate and voluminous reports by committees of the House of Commons, in which every species of misgovernment was brought home to the company, the most violent remedies alone were pronounced suitable to the disease. Mr. Fox and his friends did not hesitate about proposing a measure which involved the temporary forfeiture of the most valuable privileges belonging to the company; while Mr. Pitt, with less precipitation, and more tenderness for the company's rights, could discover no cure for the disorder short of a participation by the executive government in the conduct of the company's political affairs. During the anxious discussions of that memorable period, it seems to have been conceded on all sides, that there were vices inherent to the very constitution of the company, which disqualified it for the exercise of the functions with which it was entrusted; that the greater number of the proprietors must always be much more disposed to intrigue for political power, than to speculate for the sake of commercial wealth; and that the court of directors, being a representative body, must of necessity be supposed to participate in the vices and prejudices of their constituents. It was but too obvious, from the whole scene of iniquity which was then unveiled, that the more bustling and ambitious of the proprietors were naturally so much

interested in the welfare of the company's servants in India, who were of their own selection, as to aim at securing certain impunity for all classes of delinquents; and it was at once perceived, that the irregular and undefined controul then exerted by ministers over the proceedings of the directors, must for ever be found inadequate to the remedy of such grievances. It availed not the company, to pretend that the instructions dispatched by them to their servants in India had in general been wise and politic, because it had been uniformly remarked with astonishment, that every breach of these instructions had been ultimately rewarded with the company's approbation. Of the disposition natural to a set of men, like the proprietors of India stock, a very good specimen was about this time given, in the confirmation of the power of Mr. Hastings, after his recall had been determined on by the House of Commons; and, in short, it was in the whole circumstances of the case quite manifest, that no remedy, could be found for the defects inherent to the constitution of the company, but in the exercise of a powerful and efficient controul over the selection of their servants, as well as their plans of policy. A most important revolution in the government of British India was of course determined on, and a great share of that power, which the company had shewn itself so ill qualified to ex-

ercise, was transferred to the crown, which was enabled to controul the proceedings of the directors by the power of appointing to offices of trust and authority in India—of imposing a negative on the appointments made by the company—and of removing improper and unworthy servants from the situations to which they had been nominated. A direct and immediate influence over the policy pursued in India was bestowed on a body of commissioners, created for the purpose, who have since been known under the appellation of *the board of controul*. Thus did the company's acknowledged incapacity to manage its affairs prescribe a change of system to the legislature, which amounted to a direct and very serious encroachment on the rights then claimed, even under an existing charter which had received the sanction of Parliament.

It were absurd to dispute, that since this great reformation in the government of India was accomplished, the political evils resulting from the company's administration have been in a great measure corrected, and the most splendid and substantial additions made to the British empire in India. It is very true, indeed, that the House of Commons did, at the period to which we allude, express an opinion, decidedly unfavourable to future conquest; but, besides that any prospective system for regulating the affairs of foreign policy must necessarily be received with numerous limitations,

we are at some loss to discover how the rapid progress of the British arms in India, and the firm consolidation of a great empire, should in any respect be deemed unfavourable to the stability of British power in that quarter of the world. To the credit of the plans pursued by the board of controul, and by those great men, who, since its institution, have been successively vested with supreme power in India,—plans which doubtless have been, in a great measure, the result of vigour and sagacity, acting in circumstances which neither were nor could be anticipated, when the House of Commons came to the resolution, disapproving of further conquest—it may now be affirmed with confidence, that all the dangerous enemies of the British power in India, native as well as European, have been subdued or extirpated, and security given to a dominion, which, as it originated in force and violence, could be confirmed only by the establishment of an absolute and irresistible ascendancy. Of the strict justice of the measures which have been found necessary for securing our Indian territories, it is needless to say thing; for if the injustice of these measures is to be made a subject of charge against their authors, it will be necessary to go back to the origin of our conquests in India, which not only justified but prescribed perseverance in the same system; and because, after all, if the question is to be fairly examined, in reference to the happiness of the governed, there can be no doubt that the peo-

ple of India have gained incalculably by their submission to the British government. Neither is it sufficient to seal the condemnation of the board of controul and the officers of their nomination, that in return for immense acquisitions in the Mysore, the Carnatic, the Decan, &c. we have been compelled to contract a debt of some millions in India ; for there is no instance in which the most valuable conquests have not been found a source of temporary expence. That under a different system, this heavy expenditure may be rendered but temporary, there is every reason to believe, notwithstanding the opinions of a noble author, who seems to have written his book on India quite as much from personal dislike to the late Lord Melville, as from disapprobation of the measures pursued by the board of controul.* Let it be remembered that the Marquis Wellesley found the Indian revenue of the company but eight millions, and raised it to fifteen, and that if for the debt which has been contracted in the course of the unrivalled successes obtained under the government of that nobleman, no compensation were to be found in the stability of our Indian empire, some return might still be made to the parent state in the ample provision which its expenditure affords for the most active and enterprising of her children.

* *Vide* Lord Lauderdale's Enquiry into the practical merits of the system for the government of India under the superintendence of the board of controul.

BUT it seems quite obvious that no portion of these brilliant results is to be attributed to the East India Company—nay, that the existence and privileges of the company are fairly chargeable with no small share of the mischief which has been unhappily united with so much positive and substantial good. It is beyond all question that the British government, had it enjoyed the immediate and exclusive sovereignty of British India, would have shewn itself quite as well adapted as the honourable company to the conduct of military and political affairs. But it is moreover quite well known, that the schemes of conquest recently pursued did not originate with the directors, but with the board of controul and the government of India, and have on many occasions met with the pointed disapprobation of the company. It is amusing to hear the proprietors, in such circumstances, complimenting the company on the share it has taken in these weighty affairs, and urging such pretensions as a ground for claiming the favour of the legislature and the country. It is still more important to observe, that the enormous expenditure, which has been the consequence of our territorial acquisitions in India, is but a part of that system of extravagance which seems inseparable from all the company's proceedings, and has resulted in a great measure from the want of sufficient checks on the Indian expenditure of the company—checks which

would doubtless have been established by the legislature, but for the difficulty of interfering with what have been called the chartered rights of the company.—And here it is necessary to enter with a little more fullness into the benefits which the country has derived from its Indian dominions, under the company's administration.

THE first advantage derived from our Indian empire is in the field which it affords for young men of enterprise and talents, who might find it extremely difficult to secure at home the objects of their ambition. The unavailing sophistry of some persons, who seem already to hesitate about the entire abandonment of India, would persuade us that this is no solid advantage, because the talents and capital of the adventurers are thus in a great measure lost to the mother-country.* But it is almost superfluous to observe, that, in such a country as this, a great deal more talent is produced than can well find employment; and, of course, that a suitable outlet for such redundancy must be found of inestimable value. It is quite obvious, also, that this is a benefit, which even the mal-administration of the company could not deny to the parent state—that it would have been better secured had the company never existed—and that the line of policy, to which the directors so pertinaciously adhere, in the midst of their alarms about colonization, is precisely that which,

* *Vide* Edinburgh Review, No. 30.

above all others, is calculated to confine this benefit within the narrowest possible limits.

ON the subject of the revenue derived from India, it will not be necessary to say much ; for it is now past all dispute, that no such revenue either is received at present, or has at any time been received during the administration of the company. The territorial revenue raised in India has, upon the whole, been found quite insufficient to defray the expences of the local government ; and although we are not disposed to wonder much at this, nor to impute great blame on account of the deficiency to those who have been entrusted with the management of Indian affairs, it is proper that the public should be kept in remembrance of the fact, at least so long as the advocates of the company, with the view of securing a renewal of the charter on the present terms, are so busy in exaggerating the benefits which have been derived from its administration. The sanguine expectations, indeed, of immense wealth to be derived to the parent state from the surplus of territorial revenue have been rather prematurely indulged, while the stability of our Indian empire was yet so very imperfect, that great additional sacrifices might, with reason, have been anticipated for its preservation ; and although there seems no reason to believe that these views can never at any future period be at least partially realized, it is beyond all question,

that the past failure of these hopes must be ascribed to causes in a great measure beyond controul. But whatever may be thought on this point, one thing at least seems to be unquestionable—that the revenues of India have never yet been found adequate to its expenditure; and that all the provisions of 1784 and 1793, for admitting the public to a participation in these revenues, hitherto remain unexecuted. It is notorious, indeed, that the only benefit derived from these provisions has been appropriated to the company itself, as the act of 1793, which provides for the annual payment by the company to the public of the sum of five hundred thousand pounds, allows the proprietors, in that event, to increase their own dividends from eight to ten per cent. The payment to the public has been but once made since the act was passed; but the increased dividend has been regularly allowed to the proprietors since the payment made to the public—a circumstance which leaves no doubt as to the motives that induced the company to determine on this elusory compliance with the conditions of the statute. But there remains no longer a hope that even this paltry advantage will, on any future occasion be secured to the state, so long as the present system of Indian policy shall be pursued—because the state of the territorial revenues, as well as of the general affairs of the company, is now by far too well known to the public, to permit any farther delusion on this sub-

ject. By a great variety of the most conclusive evidence, it is now fully ascertained, that since the year 1797, down to the present period, not only has there been no surplus of Indian revenue, but an actual deficiency to the yearly amount of a million sterling, which has since been increasing in a very rapid ratio. Nor could the company, at any time, account for the unfavourable state of their affairs, by ascribing it to European war, since it is well known that the expence attending the capture of the French and Dutch settlements has uniformly been allowed to the company in accounting with the public; and it is a fact quite notorious, and which indeed has been again and again stated, even by the persons who act for the company, that their trade receives an ample compensation in the augmented value of the articles of their commerce, for the loss sustained by an increase in the rates of freight and insurance. In 1805-6 the deficit in the revenue was upwards of two millions and a-half sterling, and has since, there is every reason to believe, been rapidly increasing, while the debt contracted in India was, by the latest accounts, stated at no less a sum than thirty-six millions sterling. It is needless to encumber this statement with any reference to the complicated accounts from which these results are deduced; because the mystery which at one period seems to have enveloped the whole subject, is now in a great measure removed, and men of all parties seem to be

agreed, that for several years the government of India has been an actual and a heavy charge on Great Britain. It might be presumptuous to hazard any opinion, whether, under different management, a better state of things might not have been expected; but the public should bear in mind the above facts, while they endeavour to estimate the claims of the company to a renewal of its charter. If the gain of England, by participating in the revenues of India, had any share in leading to the last renewal of the company's charter, let it always be recollected, that in this object we have been most miserably disappointed.

By far the most solid and important of the advantages which England may derive from her vast empire in India, however, is that of a great and extended commercial intercourse with the immense regions included in the company's charter. The splendid acquisition of extensive empire is but of doubtful advantage—the surplus of revenue, after defraying the expences of local government, is but precarious and uncertain at the best—while the lawful gains of an honourable commerce form an important and substantial addition to the power and resources of the parent state. Few people would, therefore, have been disposed to quarrel much with the company's administration, even if it had secured for the mother country no advantages except those

which are of the most unequivocal character, the increase of her manufacturing industry, and the extension of her commerce. But has the company done this to any extent worth mentioning—has it at all fulfilled the expectations even of those who estimated on the most moderate principles the commercial value, to such a country as Great Britain, of the exclusive influence which it has, by a series of fortunate events, been enabled to acquire among the nations of Asia—or has it not rather, in a spirit of uniform illiberality, kept down the enterprise, and, throughout a series of misfortunes, baffled the hopes of the British people?

IN answering these questions, it may not be improper, first of all, to take a brief retrospect of the exclusive and domineering views of commercial policy by which the company has been influenced; and afterwards to endeavour to appreciate the advantages which it has contrived to secure from the most unlimited concession of its claims.

THE opposition which is now about to be made to the renewal of the company's monopoly, is far from being new, although it has not hitherto been urged with the same zeal and knowledge which belong to the merchants of the present day—for so far back as 1730, the merchants of Glasgow, Liverpool, and other trading cities, made strong re-

monstrances against the charter which was then granted, and offered many powerful and conclusive arguments for the abolition of the monopoly. But it is yet a subject of boasting and triumph with the company, that they made a successful stand against the just and fair claims of the petitioners, and that, by advancing to government the paltry sum of three hundred thousand pounds, as the price of their encroachment on the liberty of commerce, and making some idle and fallacious statements about the quantity of shipping which they would be able to employ, they prevailed over the sound sense of the legislature, and the enlightened views of their fellow-citizens. When the charter was last renewed (in 1793), the same discussion was resumed, but with infinitely more effect, on the part of the private merchants ; for it was by this time conceded on all hands, that a free trade should be permitted, in so far as it might be deemed consistent with the security and preservation of the colonies. This point, to be sure, was even then contested by the company ; but it was contested by the company alone ; and the sound views on commercial subjects which had by this time made so great a progress, ultimately carried the recognition at least of the principle, that the company's privileges were incompatible with the commercial prosperity both of England and India. The consequence of this was the provision in the act of 1793 for the limited partici-

pation of the private merchants in the trade of India; but it is now unfortunately too well known, that the restrictions and limitations with which this arrangement was encumbered, and which the company had the address to get introduced into the act, have effectually frightened away private merchants from all interference in the trade thus partially laid open. To shew with what fatal success the policy and influence of the company have been employed towards perpetuating the fetters imposed on the trade to India, and how completely the object was obtained of rendering the partial relaxation of 1793 quite nugatory and ineffectual, it is enough to state, that the necessities of our merchants in India, to avail themselves of the act for exporting to England, being, from circumstances which are afterwards to be noticed, almost imperious, they, in the years 1795 and 1796, made repeated applications to the company for an allowance of shipping, which should be subject to all the usual regulations, with the exception of that alone which prescribed the period of departure; but all their earnest and anxious requests were haughtily disregarded. That the public may be fully aware of the nature of the service done by the company to the commercial interests of British India, by their most rigorous adherence to the privileges of their monopoly, we have only to mention, that, in the year 1808, when, from circumstances quite acci-

dental, the India homeward trade was still further freed from restraint, the importations by the private merchants from India amounted, not to three thousand, the limits prescribed by the act 1793, but to nearly fifteen thousand tons. These notorious and undisputed facts have been selected out of a great mass of evidence to the same effect, to prove the eagerness with which the directors have at all periods clung to their monopoly; the strenuous and unwearied resistance which they have made to the fair claims of the private merchant; and the egregious fallacy which they would impose on the public understanding, when they would have us estimate the future amount of the trade of India by the extent which it has hitherto attained under the management of the company.

It might surely have been expected, that, with all this zeal to exclude others from participating in the trade—with all this anxiety to continue the monopoly, and to appropriate every thing to themselves, the company would have been making rapid strides towards unrivalled opulence. But there is no better proof of the soundness of the general principles, of which a recapitulation was given at the commencement of this discussion, than the complete and entire failure of this most natural expectation, which has been wholly disappointed in the history of the company's affairs.—There is a fata-

lity attending the commercial undertakings of the company, which has of late years been driving them on to ruin as a mercantile society, and has at last terminated in the undisputed insolvency of the establishment. It is true, indeed, that so long as the manufactures of India found no rival in those of Great Britain—while the company were in the undisturbed enjoyment of its exclusive rights, with the advantage of a ready market, to which no competitor could venture on approaching—and while there yet remained some faint traces of the mercantile origin of the establishment, in the habits of vigilance and economy which corresponded with that character,—they did contrive to make a profit on their mercantile speculations, although even then the profit was as small as a very supine and careless management of their affairs would permit. But, of late years, the scene has been quite changed—the admission of America in the year 1797 to that share in the trade, both of India and China, which was denied to the British merchant, appears to have altered entirely the face of the company's commercial concerns, and since that fatal year, down to the present day, the general balance on their mercantile transactions has, we believe, with hardly a single exception, been against the company. The first circumstance which, in this point of view, demands attention, is, the rapid and astonishing decline since the year 1798, of the capital employed by the com-

pany in carrying on their trade, which, at the above period, amounted to about four and a half millions, and does not now exceed the half of that sum. This is a most melancholy feature in the company's affairs—a decisive proof, if any were wanted, that such establishments have in themselves so strong a tendency towards ruin and decay, that no extraneous support will be found sufficient to prolong their existence. But this is not even the worst feature in the case—for not only has the trade, carried on by the company, been, by a slow but sure progress, gradually sinking into insignificance, but the approach of bankruptcy and ruin has been accelerated by causes of more rapid and decisive operation. The year 1797 was the first in which a total loss on the mercantile transactions of the company was fairly admitted. In 1798 the same discouraging result was presented; in 1799 there was a great loss on the exports to India; and in 1800 a serious loss was again sustained on the exports to India, for which no compensation could be found on the sales in Europe. From 1801 downward, the accounts present nothing but a repetition of the same disasters in India—of heavy losses sustained on the company's exports from Great Britain, which are scarcely ever compensated by the profits on their imports. The trade of the company, for the last fifteen years, has therefore exhibited nothing but a series of very heavy losses, as well as various other symptoms of decay,

from which there seems to be no chance of rescuing the commercial intercourse betwixt Great Britain and India, so long as the present unhappy system of exclusion is pursued. The result of all this has been, that the commercial misfortunes of the company, added to the deficits of their Indian revenue, have reduced them to a state of undeniable insolvency—have compelled them, ever since the year 1807, to encroach, to the amount of two millions annually, on the resources of the mother-country—may, have forced them, at the very period when all their obnoxious privileges are about to undergo the severe scrutiny of the legislature and the country, to resolve on coming once more to the pockets of the people of England, from whom it seems that they are, in the present year, to demand what they are pleased to term a *loan*, to no less an amount than six millions sterling.*

SUCH is the prosperous and satisfactory result of the method adopted by the East India Company for managing the trade of the extensive countries included in their charter, and such are the benefits which even the parties themselves have derived from the exclusive privileges which they would so unreasonably and so tenaciously still continue to vindicate. It may appear surprising to some persons that

* This resolution was adopted at a late meeting of the proprietors, and a petition to this effect actually approved of.

the directors and proprietors should still persist in arrogating to themselves an exclusive right to a trade which they are so evidently unfit to manage with advantage. But the ignorance and simplicity of such persons can only excite a smile with those who recollect that the East India Company is now any thing rather than a mercantile establishment—that the views of the proprietors have little connection, indeed, with the fair emoluments of mercantile pursuits—that a share in the power and patronage of India is now with them the great object of ambition—and that they have come to entertain some fears, not altogether unreasonable, that the abolition of their commercial monopoly would, after a little experience of its advantages, lead, by a pretty sure course, to a revolution in the government of India, still more important. Were it once settled by the testimony of experience, that the trade to India might be safely and honourably conducted without the intervention of the company, the legislature might probably be disposed to think that the government of the provinces might be just as well conducted under the immediate care of the general administration of the country; and a death-blow might thus be given to the hopes and expectations of those who count for their own importance and that of their relatives, on the facilities afforded to their ambition in the present system of our Indian policy.

AND here we cannot help alluding to some puerile criticisms in defence of the company's commercial arrangements, which appeared some time ago in a periodical work of considerable notoriety.* The company has been often charged with discouraging the industry and manufactures of England, by the limits which it imposes on exportation to India; but the ingenious critic, to whom we allude, states the fact of the losses sustained by the company on the exports of woollens actually sent to India, as a proof that the charge is altogether groundless. But this argument has evidently no application to the question,—since no pains are taken to satisfy us, that the company is perfectly qualified to furnish India with these articles at a rate equally moderate with the private trader; nor that it is well calculated, by vigorous and enterprising speculation, for encouraging among the people of Asia a taste for British manufactures. It is a singular piece of sophistry in the writer to tell the public, that it ought to be contented, if a greater quantity of British goods are exported to India than there exists a demand for, and if the company are willing to sacrifice their own private interest so far as to export British manufactures at the risk of a great loss to themselves. In every point of view, it is surely a public mischief and a nuisance, that any trade should be permanently conducted with a certain loss, on what

* Edinburgh Review, No. 30.

class soever of the people this loss may ultimately fall ; and it is surely not a little ludicrous, after all that has been proved and admitted about the conduct of the company's mercantile affairs, to hear the directors, and their advocates, urging their own apprehensions about the perils to which an open trade would expose the private merchant, as a piece of conclusive reasoning for perpetuating the monopoly

AFTER all this, it is curious to observe the arrogant and boasting manner in which the proprietors were pleased to express themselves at their late meeting, and to listen to the strange language in which their correspondence with government describes the past services and merits of the company. They talk of the progress of the British arms, and of the expulsion of all foreign European nations from the peninsula of Hindostan, as if these brilliant events were not the result of the power and resources of the British empire, which are, at any rate, permitted to operate in a manner extremely partial and imperfect in the shape of such an establishment as the East India Company. They boast of the seamen and tonnage which they employ, as well as of the taxes which are paid by their trade, just as if all these things did not depend precisely on the amount of the trade itself, and as if it had never been proved, that, but for the company and its method of managing it, the trade, as well as

the seamen, tonnage, and taxes, would have been increased tenfold. Among their other claims to the favourable regard of the country, they very modestly state their computed loss on freight during the war, which they estimate at no less a sum than nine millions, and very reasonably claim, on this account, an exemption from the income-tax on their dividends. We know not that there is a single person in the country who has not suffered much loss by the present as well as every other war; and were the notions of the proprietors to receive any sort of support, we should find it difficult to collect the income, or indeed any other tax. Such, however, are the consistent and liberal views entertained by the patrons and advocates of monopoly

It may now be assumed, that every thing which speculative men, as they are called, have said against monopolies, and in particular every thing which they have said against the East India Company, and its utter unfitness for carrying on the trade of India with advantage to the public, or even to the proprietors, has been fully proved and confirmed by an appeal to the authentic history of the company's proceedings, and that it has been established beyond all question, that the nation owes nothing to the company, either in its political or mercantile capacity, while there is the greatest possible hazard

of adding prodigiously to the heavy losses which it has already sustained, should the legislature determine on the unqualified renewal of the company's charter. The inference is quite irresistible, that if the trade to the countries comprehended in the company's charter can be thrown open, and if an entirely new system can be established, without the hazard of greater evils than those which we are anxious to escape, it must be the imperious duty of the legislature instantly to attempt this great reformation. But the company have been most laudably employed in starting endless objections to this change of system, and in conjuring up innumerable phantoms to appal the legislature, and to retard the progress of that great improvement to which the nation is visibly and inevitably approaching. Of these objections it will now be necessary to undertake a deliberate examination.

3d, THE elaborate and miscellaneous argument maintained by the company, embraces a variety of topics, which are partly of a political and partly of a commercial nature ; and it is a circumstance not a little remarkable, that all the zeal and ingenuity which have been put in requisition to frame a plausible case in favour of monopoly, have not been found sufficient to start a single proposition which has any pretension to novelty—nay, which has not been again and again examined and refuted. While the

discussion about the renewal of the charter in 1793 was in progress, the great body of British merchants made precisely the same claims which they now make, and were answered by the company nearly in the same terms in which they are now answered. Scarcely one single fact has since been brought to light, and scarcely a single argument is now used, which was not then fully examined, and most satisfactorily refuted. The case of the company has now, indeed, become far more hopeless than it was at the above period ; not only because its incapacity for conducting the trade of India is now more fully established, but because all the alarm and apprehension which it then so studiously endeavoured to excite, have been fully discredited by the history of the intercourse which America has since been allowed to maintain with the countries included in the charter.

THE claim which the private merchants make, is to a participation in the trade, now exclusively enjoyed by the company—to a free trade, both with India and China, together with such a right of residence in the territorial possessions of the company, as may be found necessary for enabling them to manage their concerns free of arbitrary conditions, and restraints of every description. Let it be recollected also, by whom this claim is made—that it is urged by the merchants of Great Britain—a body

of men not more remarkable for their spirit and enterprise, than for their unrivalled liberality of sentiment, and spotless integrity of character. It is of importance to keep this in mind while examining the frivolous objections of the company, founded on their pretended fears about the injustice, rapacity, and extortion of the private trader, which are speedily to embroil us with all the nations to whom they are allowed access, and to close for ever our splendid prospects, with respect to the future state of our trade with the countries of Asia. Let it be remembered, that in these arguments (if arguments indeed they can be called) the company, inadvertently perhaps, hold a language as to the character of the petitioners, which is in the highest degree unwarrantable and insulting—and that the men whom they are thus indirectly traducing maintain throughout the world a reputation for sound sense and fair dealing, which perhaps is not so well sustained by any class of men, either in this or in any other country. From the company, the members of which in general belong to the same class, this accusation comes with a very bad grace indeed, since it must hold eternally true, that allowing to the free trader and the monopolist an equal share of probity and discretion, there is the strongest chance in the world, that the additional motive of private interest, which must operate with infinitely greater force on the former than on the latter, will give to

the dealings of the private merchant a degree of circumspection, which will in vain be sought for in the transactions of such a body as the East India Company.

AND here it may be proper, once for all, to enter the most unequivocal protest against the reasonings of the company, as to the natural and necessary limitation of the trade to India, and the inference deduced from this view of the question, that it is therefore expedient to continue the monopoly. There are few persons who will concur in the statements of the directors, as to the probable extent of this trade at a future period, under the vigilant inspection of the private merchant—but even if the public were quite satisfied that there is no chance of an increase beyond the present amount, there would still be great propriety in acceding to the demands of the petitioners. Whether the trade should, after it is thrown open, prove susceptible of great improvement, in point of extent, this at least is certain, that it will admit of much amelioration in the mode of management—and this, in a national view, seems quite a sufficient reason for immediately acceding to the propositions of the merchants. But the sentiments of the company on this head are liable to the strongest suspicions—their own failure, in extending the trade to India and China,

affords no proof whatever that the trade is not susceptible of increase—even the scanty introduction of British manufacture, which has already been effected among the people of Asia, affords conclusive evidence, that under better management the trade might admit of indefinite increase; and even were this not the case, the assertions of the company, on this subject, can receive no sort of credit, till they are confirmed by the result of an experiment for the entire abolition of the monopoly. If it be asserted, that from the slow advances hitherto made in introducing among the oriental nations the manufactures of Great Britain, it is a fair inference that every future attempt must be equally unavailing, it might also be maintained, that the recent experience of the company would justify us in concluding that the trade cannot, under any regulations, be continued at all, except with the certainty of very great loss. Surely if experience is to be our guide, and that experience is to be sought for in the history of the company's transactions, both of these inferences are equally legitimate, although both of them to common sense are equally extravagant. It is obvious, at all events, that things cannot be worse than they are at present, but that they may become much better; and this consideration is sufficient of itself to justify and even to prescribe a change of system.

It should also be impressed on the recollection of the public, that the prophecies of the directors are of the same character with those which they have always been accustomed to utter when opposing the claims of their countrymen, and precisely the same, indeed, with those by means of which they, in the year 1793, prevailed on the legislature to limit the amount of private tonnage to three thousand tons, although, in so short a space as five years after this regulation had been made, the private trade from India to London employed no less than fifteen thousand tons of shipping.

THE first idea, indeed, which presents itself on the perusal of the long letter to Lord Melville, deprecating in such strong terms the abolition of the monopoly, on the ground that the trade to India admits of no further extension, is, that the whole statements, by which this view of the question is supported, refer to the trade of India, as it is managed under the present monopoly, and cannot, of course, lead to any decisive inference with respect to that very different order of things which it is in contemplation to establish. It may be very true that the Dutch and French monopolists were quite as unsuccessful as their English successors have since been, in developing all the rich sources of Indian trade; and yet it may be very doubtful whether the vigorous and enterprising spirit of the private trader might not arouse this vast empire from the deep

* slumber in which it has so long been buried. But it cannot escape the most superficial observation, that the apparent contempt with which the trade of India is spoken of, and the instant ruin with which private adventurers are threatened, is not quite consistent with the serious and anxious remonstrance of the company against the removal of the restrictions. If the trade be really so narrow and unprosperous as they would have the public to believe, the surrender of their extensive right to it cannot be so very serious as this; and if it is to be fraught with ruin to those who may dare to embark in it, they may safely leave it to the intelligence of the private trader to make this discovery, and to his prudence to retire from utter destruction, should his sanguine hopes seduce him to so perilous an undertaking. In short, the future extent of the trade to India will never be estimated by any calculations of its present amount, under the management of the company; nor will the warm remonstrances of the directors against the admission of private adventurers be readily ascribed to their serious and disinterested apprehensions about the safety of their rivals.

It may be very true, indeed, that expectations a little exaggerated are entertained of the advantages to result from the free admission of British merchants to the benefits of this trade; and even the advocates of a free trade will subscribe, without

hesitation, to a part of the reasoning of Messrs. Parry and Grant on this subject, derived from a consideration of the wants and habits of the natives of India. The people who inhabit those delightful regions have few wants, from the nature of their climate, and little power to supply them, from the indolence of their habits. Yet, it is admitted, that woollens and metals are in demand among them; and will the company venture to affirm, that, under a different system, this demand might not be prodigiously increased? The very existence of a demand for such articles shews, that, under better management, it might be extended to a degree which the company unaided could not supply, and which, indeed, it can never have any strong interest to extend, so long as territorial dominion, rather than mercantile prosperity, forms the great object of its institution. It is impossible, from past events, to predict the extent to which the habits, even of the Hindoos, might be improved under a beneficent administration, because they have hitherto unfortunately had no experience in their connection with Europeans of the benefits to be derived from a system of enlightened policy. But we are told that the whole of the extensive regions from the gulf of Persia to the eastern Archipelago have long been explored; that the Portuguese, French, and Dutch, exhausted all their efforts to introduce European manufactures among the inhabitants; and that the

British residents in different parts of India have been sedulously employed with the same views, and with equal success. But let it be remembered by whom these British residents have been hitherto supplied—under what fetters and restrictions every thing has been conducted—with what jealousy all enterprise has been contemplated; and then it will not be surprising that their progress has not been very great in a task of acknowledged difficulty—the awakening the most passive and indolent of the human race to the pursuits of gain and the vigour of industry. Nor will it excite wonder, that in spite of the legislative provisions of 1793, there have been but few applications to the company for the benefit of the act; because the measure was in itself of so partial and limited a nature, and liable to so many disagreeable and perplexing obstacles in the execution, that the subject of Indian trade naturally remained in the same obscurity as before to British merchants, to whom no adequate temptation was held out to invite enterprise and emulation. Who can wonder, that, in all these circumstances, the trade of India with Europe should have remained on nearly the same general footing in which it stood in the time of the Romans—an exchange of the commodities of India, not for commodities, but for the precious metals from Europe?

But the company would fain persuade the public,

that the export as well as the import trade of India is necessarily confined within very narrow limits—that spices, drugs, coffee, sugars, raw silk, saltpetre, indigo, raw cotton and cotton manufactures, constitute the whole produce of the country, and that very little addition can ever be made to the present amount of these exports. It is afterwards admitted, indeed, that a very important addition to these items must be made in the article of hemp; but, after all, we are told, that many years must elapse before the exportation of this article can become considerable. The great and obvious importance, however, of some of the articles—of coffee, raw silk, raw cotton, indigo, and, above all, hemp, as well as the high probability, that a free competition would very much extend the trade in them, cannot be disguised, even if there were no other considerations to induce the legislature to hazard an experiment at once so promising and important. It must always be remembered, that the extent to which the trade in these articles might be carried by the free competition of British capital, admits of no estimate from the past history of the company's administration.

But the most decisive and satisfactory assurance on this branch of the subject is derived from the vast progress which America has unaccountably been

permitted to make in the trade of India. On this point, the explanation given by the directors is by no means calculated to allay the suspicions excited by the other parts of their reasoning, or to silence the complaints which have so often, and apparently with so much reason, been made, that the interests of British merchants have been postponed to those of a people whose policy has long been of a suspicious or hostile character towards this country. It is nothing to say that the treaty of 1796 secured that privilege for the Americans; for the question will be put to the company—Why did they not oppose, with a seriousness and determination equal to that which they now display, this striking invasion of their privileges? In a trade which should have admitted of no increase from private interference, the mercantile adventurers of America have been allowed to participate so largely, that they have had the supply, not only of their own market, as well as that of South America, but have actually competed to good purpose, with the company itself, in the general market of Europe. These facts, which are quite notorious, must supersede all comment on the policy of the company, and must throw considerable suspicion on the prophecies which, in the abolition of a baneful system of exclusion, forebode the ruin of an extensive trade, and the subversion of an empire.

THE following circumstance exhibits a strong proof of the rapacious and uncompromising spirit of the company. The directors having, by a train of mere sophisms, prevailed on government to give a reluctant, and, it is to be hoped, but a temporary, assent to their views with respect to the China trade, no sooner obtain this concession than they make it a ground for fresh demands, and declare, that if the trade to India be thrown open, it will be impossible to keep that of China under any sort of restraint, the private traders not being answerable to the local government of India. In answer to those visionary alarms, it is necessary once more to recur to admitted facts. First of all, then, it is acknowledged that the British residents in India conduct the great coasting trade of the country, which must of course afford ample scope for this species of interloping, were the vigilance of the company's servants, and the restraints of the law, found insufficient—yet we have no complaints on this subject from the directors. But we must again bring this important fact to recollection.—that the Americans have this very liberty which is to be denied to British subjects—the Americans, whose mercantile character is notoriously disreputable, and whose language and manners enable them easily to pass for Englishmen; and yet the directors do not inform us that the China trade has ever, from these causes, been in great danger. But

an opportunity will afterwards occur of returning to the important question, relating to the China trade.

It was maintained by the company in 1793, and the statement has again been repeated in the correspondence with Lord Melville, that the capital of the private merchants will be found inadequate to the proper encouragement of the trade with India, because the native manufacturers are so poor that large advances must be made to them, long before the fruits of their labour can be realized. For this purpose, it is pretended that the capital of the company alone is adapted; and as the argument, in this limited form, obviously constitutes a portion of the great plea formerly maintained by the company, but now, in its more absolute form, apparently abandoned, that the capital of the private trader is not sufficient for the conduct of the trade with India; it were superfluous to say more than merely to refer to the notorious fact of the unexampled accumulation of capital in this most opulent and commercial country. Even this very general answer appears decisive, when opposed by so very flimsy a pretence. But all those who urge this absurd plea forget that the concerns of an extensive commerce naturally give rise to many subdivisions among the employments of capital, and that while, with the benefits of a free trade, the capital of one

class of merchants will be devoted to the purchase in India, and the transmission to Europe of Indian manufactures, that of another class will naturally seek employment in furnishing for the native workmen the means of enabling them to prepare and bring forward their commodities to the market. It were a waste of time, therefore, to expose at greater length this groundless objection.

ANOTHER pretence of a very singular kind was urged by the company in the year 1793, while contending against the claims then made to a free trade. It was alleged that the Hindoos, and indeed the whole people of Asia, were of a very timorous and suspecting character—that they were very unwilling to hold any sort of intercourse with strangers—that a long experience of the company's transactions had, however, inspired universal confidence in their honour and good faith, but that the private merchants would find the difficulties of trading with the whole race quite unsurmountable. It was even maintained (with matchless absurdity, we cannot help thinking) that the progress thus made in the introduction of European manufactures into China, had been the result of the talents and address displayed by the agents and supercargoes of the honourable company, who had dexterously resorted to argument, for the purpose of seducing the Chinese into a taste for these productions, whose value they would never

have been otherwise able to appreciate. Although all this, and a great deal more to the same purpose, was gravely stated in the case prepared for the company; yet we should hardly condescend to notice such puerilities, except from an apprehension that they may once more be revived in the discussion of so weighty a question, on which a more than ordinary share of prejudice and extravagance seems to prevail. To say more on this point, however, than merely to remind the directors, that the people, both of Hindostan and China, are men—that they will measure out their confidence in exact proportion to the experience which they may have of its being merited—and that there is no fear of its being forfeited by the private merchant any more than by the company, while a sense both of honour and interest is concerned in its preservation—were surely to insult the understanding of the reader.

It was long a favourite plea with the company, that there existed a sort of mysterious connection betwixt the trade and revenue of India, which indispensibly prescribed the continuance of the monopoly, to secure the immense advantages which the government and people of Great Britain were to derive from the surplus revenue. It is very true, indeed, that the nature of this secret connection was never very distinctly explained; it was not made apparent, either that the revenue of India

might not have been rendered quite as extensive had the company never existed, as it has become under its administration; nor was any attempt made to prove the impracticability of transmitting this supposed surplus through the medium of the private trade. The advocates of monopoly were repeatedly challenged to explain a little more carefully the import of this mysterious argument, and to specify the grounds on which they formed their opinion, that the same thing which was every day done betwixt the different states of Europe, by means of the private trader—the transmission of large payments in the shape of subsidies, which was deemed much the same thing as the transmission of sums to the same amount in the form of revenue—should become quite impracticable when attempted in the case of Great Britain and India. But they never could be prevailed upon to offer any satisfactory explanation on this point: and this obstinate silence would, of itself, afford sufficient evidence of the fallacy of the argument, even were all further discussion not superseded by the fact, equally certain as it is melancholy, that there is not now, and has not for many years, been any surplus revenue to be remitted.

THE trade betwixt Europe and India was contemplated with much jealousy and apprehension by the advocates of the commercial system, as it was

called, whose tenets are not yet entirely abandoned. The constant exportation of bullion in return for commodities, was calculated to alarm those persons who considered the increase of the precious metals as comprehending every thing which it was the object of a wise policy to accumulate, and who pretended to discover in the constant drain of these objects of fond attachment the downfall of the commercial prosperity of the European states. It was to be expected, that the defenders of monopoly, to whom every part of the same commercial system is naturally so dear, would avail themselves of the popular prejudices on this subject, and endeavour to raise an alarm about the ruin which must in this way ensue, from the extension of our commercial intercourse with India. The company has found it profitable, on some occasions, to take advantage of this delusion; and accordingly we find among the arguments which have sometimes been used against a free trade, that this most popular and conclusive one has not been omitted. It is hardly worth while, at the present day, to endeavour to expose so pitiful a prejudice; but we may just observe, that if the argument apply in favour of the company, it strikes with equal force against it. If it would be dangerous to extend the trade to India, for fear of losing all the gold and silver which we can collect, it must be inpolitic to continue any trade with it at all, and the company ought instantly and for ever to aban-

don all its commercial undertakings. But the truth is, that the alarm is altogether groundless, as every person must know who enjoys the slightest acquaintance with the very first principles of political economy; for, according to the indisputable maxims of that most valuable science, there is no sense whatever in accumulating more of any commodity than what is required to supply the market, while there is no more certain way of securing an abundant supply, either of the precious metals, or of any other article of commerce, than by giving every possible encouragement to the increase of the demand. It is to be hoped, therefore, that this discreditable prejudice will not be again revived.

It was formerly stated, with great confidence, by the company, and the statement has even now been renewed, although not in terms quite so strong, that the private merchants would be unable to conduct their trade in India without the assistance of a military force at the various factories, which they might find it convenient to establish; because, forsooth, it is impossible to conduct trade of any kind in India, but at the point of the bayonet. The experience which has suggested this piece of reasoning does not seem very honourable to the commercial character of the company; but we have not the least doubt, that the private merchant will find means of conducting his trade,

without having recourse to these violent extremities. It is essential to the progress of commercial intercourse, that it should for ever remain dependent on the natural wants and the reciprocal convenience of those betwixt whom it is carried on; and if the private trader shall not be able to establish it on this basis, it were much better that all his projects should be abandoned. But, it is obvious, that the same reasoning is applicable to the company, and that if the nations of Asia are really so brutish and obstinate, that nothing but the terrors of military power can induce them to co-operate towards their own comfort and happiness, they well deserve to be abandoned to their fate. There is no reasonable ground for apprehensions, however, of such a result, which can be anticipated on no hypothesis but one, which is too absurd even to gain credit for a moment—the turbulent disposition and incurable stupidity of the whole of the Asiatic nations. But even if the aid of military force were necessary to the attainment of a free trade with Asia, and if the disposition of the private merchant to avail himself of it were quite as strong as that of the company seems to be, there is much room for doubting, whether the most serious obstacles do really present themselves to such a change in the constitution of the military power of India, as would secure to the

private trader all the protection of this kind which is now enjoyed by the company.

It forms no part of the object of the present inquiry to enter at great length into the merits of the discussion betwixt government and the company, on the subject of the proposed transfer of the Indian army from the service of the company to that of government; yet, in reference to the point now under examination, it may not be superfluous to observe, that it appears to be well calculated to secure the objects in view, while it does not seem to give any ground for apprehending from it very serious or alarming consequences. It was originally proposed by government, with the view of removing the jealousy which prevails betwixt the King's and the company's troops, as well as of ensuring an undivided, and, of course, a more perfect responsibility with respect to the military affairs of India. These objects would be best attained by abolishing, as far as possible, all distinction betwixt the different services, and by vesting the nomination of the commander in chief, and, of course, the whole military patronage of India, directly in the crown. The greatest, and assuredly the most invidious of the distinctions now subsisting, arises from the difference of the sources to which the officers of the King's and native troops owe their rank and importance—while there can

be no question, that so long as the company retains the right of nominating, and the crown that of confirming, the appointment to the station of commander in chief, there must be a division of responsibility, extremely unfavourable to the faithful discharge of these high trusts. These reflections seem to be no more than the obvious dictates of common sense, and totally undeserving the reproach of unnecessary refinement and speculation—but it may not be improper to take a brief review of the company's objections to this innovation.

THE directors have said a great deal about the peculiar constitution of the Indian army—the necessity of educating its officers to the service from their infancy, and of ensuring their gradual rise by seniority—and the consequences of this system of discipline on their manners and habits. The great evil, it seems, of which they complain, is the sacrifice of their interests to those of the King's officers, and the partiality into which a commander in chief immediately from Europe is betrayed in favour of the officers of that service; to which he himself has from his earliest years been accustomed. For these evils, it is pretended, that a remedy is not to be found in placing the native troops entirely at the disposal of the commander in chief; but rather in reserving to the civil servants of the company a right of controul over his proceedings

similar to that which they have hitherto exercised. But the principal source of jealousy and discontent, obviously is that which has been already stated—the difference of the masters towards whom the fears and hopes of the officers and soldiers of the two services are naturally turned. An officer holding the King's commission, must always conceive himself to be honourably distinguished from one who owes his rank to the East India Company—and this is a prejudice which no partial interference, nothing short, indeed, of a total abolition of the distinction, will ever be found sufficient to remove. But even holding the statement of the directors to be accurate as to the source of the discontents, which unquestionably prevail, and imputing them altogether to the natural, and perhaps incorrigible, partialities of an European commander in chief, it is pretty clear that the best way of limiting these abuses would be found in the imposition of the most powerful restraint, and in applying the highest and most respected authority in the shape of controul over such acts of mal-administration. It is needless to inquire whether this description be better answered by the British government, or by the East India Company.

ON the second point—the responsibility as to the military affairs of India, the directors betake themselves to a curious device in the art of reasoning.

They say that the responsibility is, by the present system, not halved, but doubled, just as if this same argument were not strictly applicable to every case in which there exists a division of power into different parts. It is a pretty obvious truth, however, that you cannot, by any effort of ingenuity, contrive to make two persons answerable for the same act, without subtracting not only from the responsibility of each, but lessening in effect the sum total of that responsibility which it is your object to preserve entire. This maxim holds true in all cases—and it is really wonderful how it should not have occurred to the directors, that if a parliamentary inquiry, for example, were instituted in the event of some flagrantly corrupt appointment to the chief command in India, the minister might not readily find some apology for himself, by declaring that he had done no more than concur in the appointment which had been recommended by the directors, on whose judgment he placed great reliance ; while the directors, on the other hand, might easily excuse themselves by saying, that if the appointment was a foolish one, it lay with government to interfere by its negative. There is nothing in this surely to require much illustration

But then, if you take from the company their military patronage, you will render their civil government contemptible, bring their civil officers in-

to disrepute among the soldiers, and their power into discredit among surrounding nations. Most people will be tempted here to ask what proofs the directors have to convince us that soldiers are in general so arrogant and incorrigible a race, that they have no respect for any thing which does not claim some connection with themselves—that under any other government than a military despotism, they have not shewn a due regard for the civil institutions of society? and they will be still more disposed to ask, whether foreign nations would not regard the military power of India with as much deference, if they considered it as emanating immediately from the supreme executive power of the British empire, as they now do, when they view it as the property of the East India Company? Have the King's troops in India been found turbulent and unmanageable, because they disclaim all connection with the company? Have they despised its civil officers, and trampled upon its authority? When the directors tell us, that the transfer of the management to the crown would make a most alarming addition to its influence, they certainly do not presume that the country is quite so ignorant of the state of their affairs—of the politics of their leaders, and the present constitution of the company itself, as to believe that this influence, if it be a bad thing, is not already pretty well secured—and secured too in a form which affords us no compensation in the sta-

bility of the military power of India for the evils which we are compelled to endure, in the obnoxious influence of the crown. Although it is not probable, therefore, that the private traders will require any powerful military force for the support of their factories; and even if they did, would receive no very liberal or efficient aid from the company; yet, if there be no other obstacle to the establishment of a free trade, we need not despair of seeing it removed, without the risk of any very hazardous innovation.

WE have now arrived at the most important points in the whole range of the present discussion—not that they are indeed very material in themselves, but that they have been magnified into an unnatural and factitious importance, by the misguided zeal and phrenzy of the advocates for what is called the Indian system. It will now be necessary to make a few observations on the political arguments of the company, and to descant on affairs no less weighty than those of revolt, oppression, emigration, colonization, and final separation of the mother-country and her colonies. All these alarming prospects have been industriously presented to our imaginations, and would certainly have appalled for a moment even the stoutest hearted, had they not become too familiar by constant and unwearied repetition. If there be little novelty in this discussion, the fault must be charged to the

company, who obstinately persevere in the repetition of arguments, in which there is really nothing to perplex even the feeblest understanding, if uninfluenced by prejudice. But as the discussion, which has hitherto taken place, has failed to produce that general and practical conviction, without which no good can be done, it would be wrong to omit presenting the question in every point of view of which it is susceptible.

For the alarming evils of which we have spoken, the company has in store an abundant portion of preventive remedies, even on the supposition that they shall be compelled to throw open the trade under certain limitations. They propose licences for carrying on the trade,—limitations as to the class of commodities in which the private merchant is to deal—duties in India,—restriction to the port of London,—heavy expences on warehousing, of which it seems they must have a monopoly,—regulations as to tonnage,—and, above all, severe and arbitrary restrictions on residence in the colonies, their great specific against the terrible evils with which our Indian empire and trade will be threatened by the admission of the private merchant. Under these trifling restraints, they may, perhaps, agree to have the trade of India partially opened; but the trade to China, the only remaining branch of their commerce which continues to yield a profit, this must by no means be interfered with, because the private

merchants would embroil us with the Chinese, and would themselves be plundered and ruined by the tyranny and caprice of the Chinese government. If indeed the legislature would be pleased to take the sound and wholesome advice offered by the company, it would allow no free trade at all,—none to the company's dominions, lest the private trader should exasperate the natives by his oppressions, and drive them on to rebellion,—none to the states in alliance with the company, lest they should, in like manner, exasperate the people of these states and make them quarrel with the company;—but; above all, none to China, unless it is intended to put a speedy termination to all intercourse with that singular people. That the public revenue may be secured, even, in the event of a free trade, and that business may be “*fairly, innocently, and honourably*”, managed, we are told, at all events, that it is quite indispensable to have it confined to the port of London, and to have the goods of the private trader sold at the company's sales by public auction. In short, it is the evident meaning of the company, that if it shall be forced to yield a seeming obedience to the universal sentiments of the nation, the concession should, as in 1793, be rendered quite elusory and unavailing, by the imposition of more numerous fetters and restrictions than the free spirit of a British merchant, or the emoluments even of a lucrative trade, will be able to

endure. It is the duty of every man to aim at preventing the success of an artifice which is evidently in preparation to be once more played off on the credulity of the nation.

1. WILL it be believed, then, that when the directors talk of oppressions, insurrections, and rebellions, they allude to the consequences likely to result from the innocent and peaceful pursuits of commerce, when followed under the auspices of British merchants? It were more rational to suppose, that when they indulge in their elaborate and declamatory anticipations of fraud and violence, they speak of quite a different race of men—that they are describing the progress of a band of wandering Arabs, or the march of a body of organized robbers. Where can they have learned thus to estimate their countrymen, not acting in the character of needy and desperate adventurers, be it remembered, without the restraints of law, or the dictates of morality to direct them, but in the capacity of liberal and enlightened traders, having sense to know their true interests, and probity enough to pursue them without injury to others? In this intercourse with the nations of Asia, the private merchant will act under the sanction of the British government; and he can at any time be made responsible to it, even in India, if that is deemed requisite to ensure the peace and security

of our oriental possessions. . It seems to be taken for granted by all those who reason at all, with the exception of such persons alone as affect to reason in favour of monopolies, that you can have no better pledge for the good behaviour of any class of men, than the certainty that it is their manifest interest to behave well, and that their transgressions will be visited with adequate punishment. Now it is unquestionably the interest of all traders to be circumspect in their deportment towards their customers. It must be the interest, therefore, of British merchants and their agents, should a free trade be opened, to behave well towards their customers in Asia—and it is in the power of the local government, if that government be good for any thing at all, to chastise any act of oppression towards the nations, with whom a free trade is to be permitted. Even should a sense of interest, the most powerful of all motives, prove unavailing, a sense of comparative weakness must in the present instance supply its place; for the private trader, unlike the company, cannot expect to have his aggression supported by a large military force, placed entirely at his own disposal. But if the company's argument were good for any thing, it would obviously comprehend all the branches of foreign trade; and we should have American, Russian, and Swedish companies to conduct the trade carried on with those nations, for fear of offence being given by the rudeness or ra-

capacity of the private merchant. It must be superfluous to waste time on such an argument as this, which it is not probable that the directors have ever been serious in maintaining.

2. We come now to the question of colonization, about which we have lately heard so much—the ground, indeed, on which the directors will be disposed ultimately to make their stand against the claim of the private merchants. From colonization is anticipated the introduction of the European spirit, the discussion of popular rights, and, finally, the subversion of the local government. All the weaker passions have been set in motion, all the most absurd prejudices have been alarmed on this branch of the subject, and we should be sorry to believe that such arts have been practised with effect;—for if the good sense and understanding of the country shall sink before these foolish prejudices, they will have yielded to the most unreasonable and groundless apprehensions by which, perhaps, they were ever assailed. A very few words will be sufficient to express all that need be said on this subject.

THE reader will readily dispense with any remarks on that branch of the question which relates to the mischiefs of emigration from the parent state, since no truth is now more generally acknowledged—

ed among the thinking part of mankind, than that emigrations never do take place, except when there is a redundancy of population at home, and when it becomes of course equally expedient for the public as for individuals, that it should be easily discharged. It may be assumed, then, as unquestionable, that when our countrymen shall emigrate to India, they will do so only to be more comfortable than they were in the parent state ; and that, in such a case, it would be the height of cruelty, as well as of impolicy, forcibly to detain them, or even to omit any chance of providing for them a safe asylum. But if there be any country in the world to which there is but little chance of a considerable emigration from Great Britain, that country is India ; and every person of common understanding must be inevitably led to this conclusion by a variety of most obvious considerations. First of all, India contains a population which may fairly be considered as having, for a period beyond which we have no record, been absolutely redundant, and, of course, must for ever continue to afford the most slender temptations to emigrants of all classes. What could induce the laborious population of England to select India as a place of exile, where there is no room either for their skill or industry ? 2dly, The natural and necessary consequence of an overflowing population is quite perceptible in the very insignificant value which labour bears in that country, compared with

the price which it will bring in the market of Europe; and this circumstance must for ever remain a complete bar to the emigration of the lower orders—that is, to an emigration of any importance.

3dly, The climate, language, laws, religion, and manners of the Hindoos, are as completely unlike those of the people of this country as it is possible to conceive; and this again must add prodigious strength to the barrier by which the inhabitants of the two countries must forever remain separated.

4thly, The immense distance of India from England, and the consequent expence of emigration, would effectually prevent the lower orders from emigrating to India, even if no other obstacle opposed itself to such a project.

5thly, Without large and constant emigrations of the lower orders, on whose co-operation their more active and turbulent leaders must ever depend for the success of their projects, it is extremely improbable that there should be numerous emigrations even of the latter class, whose removal to India is the object of general dread.

6thly, But, even on the supposition that all the preceding view are erroneous, and that emigration were gradually and slowly to take place, an indefinite period must elapse before the European settler would bear an assignable proportion to the natives, over whom, it seems to be assumed, that they are speedily to exercise a degree of influence, which, in spite of all the respect naturally paid to government,

and in defiance of all the power which that government can employ for repressing it, is with rapid progress to drive the natives into a state of insubordination and rebellion. There is really no end to apprehensions so extremely chimerical and timid as this of colonization; nor is there any plan of policy and government, however specious or wise, which might not to be defeated, were we to listen to such idle fancies as those which we are now examining.

3. But even if colonization were to ensue, as it certainly will not, with all the rapidity which the directors affect to anticipate, does it follow, that the consequence of such an event would be disaffection and revolt from the parent state? What circumstance could so readily promote a cordial union betwixt the emigrants and the natives, who differ so materially in all points, as to prompt them all at once to go hand in hand for the purpose of dissevering the colonies from the mother-country? Is it not far more probable, that the emigrants, forming but a most insignificant addition to the immense population of the peninsula—not readily assimilating in language and manners with the natives, but continuing to exhibit all the peculiarities of a distinct race, would naturally cling to the power of the mother-country, as their only source of security and protection?

With this conviction, therefore, strongly impressed upon our minds, we should be inclined rather to encourage than to impede colonization ; because, if there be any justice in the commercial arguments of the company, this is the only way in which we can expect to extend the consumption of British manufactures in India, and, even if these reasonings should be discredited, emigration affords, at all events, a more certain prospect that this object will be speedily attained. But mark the inconsistency of the numerous statements made by the directors. In their report of 1793, they thought fit to alarm us by an exaggerated picture of the mischiefs of emigration : they told us, that India would speedily drain England of its population ; and they stated expressly, “ that the energy of the European character becomes impaired in the first generation, “ and is soon totally extinct.” Yet it is among these enfeebled, degraded, and nerveless Europeans, that they dread the origin of projects which are to issue in the dismemberment of the British empire ! Nay, more than this, it is from these very persons, who are now expected to form so close an union with the natives, as would be necessary to the accomplishment of so vast a plan, that they at all times affect to anticipate so much oppression and rapacity toward these very natives as must even hurry them into insurrection and revolt ! There is no way of accounting for these flat con-

traditions, except on the supposition that all is error and fallacy which has been urged on this branch of the subject.

THE question has often been put to the company, if you are so much alarmed about the future independence of British India, and can discover so many tremendous evils in colonization, how comes it that you feel quite easy as to the establishments which you yourselves have formed, and which are infinitely more numerous and powerful than any that would be requisite to conduct the same trade under the auspices of the private merchant? The only persons who, under a system of free trade, would emigrate to India, are precisely of the same class, and would be sent for the same purposes with the servants whom the company now maintains in India to conduct its commercial affairs; and it is quite indisputable, that, under the system of economy, which the private merchant would substitute for the waste and extravagance of the company, a much smaller number of persons would be required for all the purposes of the trade. We have colonization, therefore, already in a greater extent than we should probably have it in future; and yet the consequences which, by the reasoning of the company, should have inevitably followed, have never even been apprehended. Let us have an end, therefore, to these idle fears about cole-

nization, since their absurdity is not only established by reason, but confirmed by the highest authority. It is a well known fact, that both Lord Cornwallis and the Marquis Wellesley, indisputably the greatest men who have ever been at the head of the company's affairs, have, with their characteristic and acknowledged sagacity, concurred in discrediting these idle and unreasonable apprehensions.

If it were necessary, indeed, to say one word more on the subject, we might, for the last time, remind those who reason thus, that the Americans, who are not deficient surely in popular spirit—who might find something in India to tempt the ambition even of an agricultural republican,—who boast of numbering in their census every species of European outcast licentiousness and sedition,—that these same Americans have free access to our Indian territories. We rejoice that the circumstance of the admission of Americans to a participation in the trade of India—by far the most obnoxious feature in our system of Indian policy—should afford so many strong arguments to prove the safety of conceding these claims which seem now to be made by the unanimous voice of British merchants.

THE company demand that the trade of India should be confined to the port of London : and it

is painful to observe, by the hints of the directors, and the answers of Lord Melville, which have been published, that they seem to have, in the meantime, prevailed upon government to acknowledge the expediency of this arrangement. On what principles it is to be defended, it is difficult to discover—for we cannot well conceive any regulation which, in its consequences, is likely to prove more embarrassing, if not utterly destructive, to the progress of the free trade, than this same monopoly in favour of the port of London, and the relative provisions about the manner in which the imports made by the private merchant are to be put under the management of the company, and disposed of at their public sales. What good purpose is to be attained by all these restrictions, so revolting to the free spirit of commerce, unless they are expressly intended to promote the views of the company, by enabling it to exercise a most dangerous controul over the speculations of the private trader, and thus indirectly to frustrate every object of a free trade? The merchants of Liverpool, Glasgow, Bristol, &c. &c. are now making the most vigorous stand in defence of their rights;—but what end will they attain by all their laudable exertions, if they are to be thus deterred from embarking in the Indian trade, after it is nominally thrown open—by the intolerable and revolting condition, of committing to the East India Company, the determined ene-

mies to their claims, the sole management of their affairs, and of confining to the port of London, a port with which they have no immediate connection, the privilege of receiving their imports? What tremendous influence will not this regulation give the company over their speculations—an influence to which it can never be expected that they will with patience submit? As to the manifest hardship of first compelling the private trader to come with his Indian cargo to the port of London, and then to submit to its being disposed of without his consent or permission, it is needless to say any thing—but the positive loss which must be sustained by keeping the goods in London, till it may suit the convenience of the company to make a public sale, as well as the still greater loss of first unshipping them in a place where they are not to be consumed, and then, after a long interval, perhaps reshipping them, and sending them round to the place which ought to have been the original market—all this is really too much, and cannot have been acceded to by government but in consequence of some very gross misrepresentations. Nor is it difficult to guess the topic which would be selected for this purpose—the revenue, the security of that immense revenue which the company boasts of paying to government, must have been the inducement held out to procure an acquiescence in this strange and most unreasonable proposal. What is there

about the port of London which fits it so well for giving this boasted security to the revenue—is it not notorious, that there the revenue is more negligently, and more expensively collected, than at any other port in the empire;—nay, is it not well known, that a most extensive system of smuggling is carried on in the river Thames, even in the ships of the company itself? If the danger of frauds in the revenue be a sufficient reason for confining the trade of India to the port of London, why is that not a good reason for imposing similar limitations on all other foreign trade? But Mr. Randle Jackson is pleased to inform us, that the company's public sales ensure a more fair, innocent, and honourable mode of conducting the trade, just as if the revenue laws of this country were so miserably inefficient, that to give them additional force, it were necessary to commit so violent an encroachment as this on the privileges of the provincial ports, or as if the perfect freedom of the trade did not afford the best security for the honour and probity with which it is conducted. Why this singular departure from all principle—this wanton invasion of the rights of the private trader? Feeling entire confidence in the justice and sound policy of the legislature, and in the laudable zeal and perseverance of the merchants, for the removal of this useless and pernicious restraint, together with all its accompanying provisions; we would just make one

further remark on this point, that if the monopoly of the port of London, together with the restrictions on residence in India, be continued, according to the desire of the company, the country may bid farewell to all the advantages so eagerly anticipated from the opening of this trade.

5. THE entire freedom of private trade to China will form a leading topic in the course of the ensuing discussion in Parliament, and it is to be hoped that the merchants will, on no consideration, be induced to abandon this point, as it is, perhaps, the most material of the privileges for which they are contending. And yet it is precisely that branch of the subject on which it would be extremely idle to say a great deal, when we reflect on the specimen which the directors have given us of the considerations which have induced them to resist (and with temporary success it would appear) the proposed change. Their argument, if indeed that can be called argument, which consists merely of a series of assertions, equally destitute of probability as they are unsupported by evidence, is twofold. The old story is, first of all, repeated, about the probable imprudence of the private trader, who is, of course, to exasperate the Chinese, a singular and irritable race of men, so as to ensure an immediate exclusion from their ports. We cannot really submit to the fatigue of repeating the various arguments which have been al-

ready submitted in refutation of this most gratuitous and unfounded insinuation—and shall merely add, that even if all that the directors state were quite probable and consistent, and if we were actually to be excluded from the ports of China, we should not be deprived of an intercourse with that country, so long as we have numerous stations, whither the Chinese would most willingly repair to carry on their trade with us. But we would put it to the directors, whether the Americans have so insulted and exasperated the Chinese as to forfeit the benefits of the China trade—nay we would ask them, whether it be not a fact well known to themselves, that the private traders of America carry on their trade to China to such purpose, that they are enabled to sell their teas at Boston and New York for less than one half of the prices charged by the company to the people of England? But it seems that the caprice and tyranny of the Chinese government would ruin the private trader by seizures and confiscations: But where is the proof of all this—where the evidence of any such confiscations—where the reason to believe that these predictions are not the mere reveries of the directors themselves? Has Chinese tyranny ruined the American merchants, or driven them from the ports of China? and can it be pretended that the opulence of the British merchant will fail in an enterprise which is successfully conducted by the comparative poverty of

an American? This sort of reasoning will not do, and it may be safely affirmed, that there is yet a more substantial reason for the zeal of the directors about the monopoly of the China trade than any of those which they have openly assigned.— *The China trade, it is well known, is now the only remaining branch of the company's trade which still yields them a profit*; and this circumstance may, perhaps, explain the motives to which we are indebted for so much zeal and so little argument. On this branch of the subject, the pretensions of the company are, if that be possible, still more absurd and preposterous than on any of the other points in dispute; and trusting to this impression, which must inevitably be made on the mind of every man who peruses the correspondence with impartiality, we willingly leave it, without fear or apprehension of the result, to the consideration of the public.

BEFORE closing this discussion it may be remarked in general, that if the merchants are not to be allowed such a right of residence in India, and assured of such protection from arbitrary impositions on their property as may be necessary to enable them to conduct their business, it is vain to think of doing them any essential service by opening up the trade. That there can be no danger in conceding these points to them, has been already established; and let the legislature beware what

powers over their persons and property it entrusts, upon specious pretexts, to the East India Company. That company stands forth as the declared enemy of free trade; and it is quite impossible to anticipate the numberless and vexatious encroachments which it may make, under the semblance of law, for rendering the freedom of trade worse than nugatory, even after it has been conceded. As a specimen of their secret hostility, even after they have appeared to yield, consider the provision which they wish to have established, for prohibiting, in the navigation of the Indian seas, the employment of vessels of a less burden than 400 tons. Do they not know, that much smaller vessels are already employed by foreigners in this very navigation; or are they not aware, that the public must at once discover the true motive of this unreasonable interference with the concerns of others, which can serve no other purpose except to encrease the difficulties of the private trader, and, of course, to render his competition less formidable to the company. They contend, also, that they should be allowed to retain the monopoly of the silk trade, for this notable reason—lest the quality of silk should be deteriorated, as if a free competition in the market would not secure this object better than a thousand restrictions and monopolies. They are desirous also of retaining the monopoly of the trade in piece goods; but this they propose for the most patriotic reason in the

world. They are afraid that the private traders would import those articles in such quantities as to interfere with our domestic manufactures; as if it were not always a source of national gain to purchase commodities of all sorts in the market where they can be supplied at the cheapest rate, and to turn the capital employed in bringing them forward into another and more profitable channel. But these are subordinate points, at which it is necessary but to cast a single glance, in order to discover the narrow and illiberal views by which this, as well as all other monopolies, is supported. Such prejudices, as well as the restrictions of all kinds which naturally grow out of them, it will be necessary for the merchants entirely to overcome, and to persevere in their efforts to establish the private trade on a basis altogether beyond the reach of capricious and unnecessary restraint. That this great object may be fully accomplished, without any sort of hazard or inconvenience, has been already established beyond contradiction.

4th, It is not impossible, however, that the company may decline accepting a renewal of their charter on the conditions which have been proposed; and, in that event, the attention of the legislature may be directed to the arrangements which will become necessary, when the government of India shall be placed under the immediate controul of the crown.

The questions which belong to this branch of the discussion are various and important, but the length to which the preceding observations have extended, imposes the necessity of compressing what remains within very narrow limits.

IN the *first* place, then, it may be remarked, that the entire abolition of the company's privileges, and the assumption of the government of India by the crown, would by no means imply so very momentous a revolution as some persons seem to have imagined. In several most important points, the government of India is already under the influence of the crown. The board of controul, which is appointed by the executive, regulates in all the most important departments of Indian policy—sends out instructions to the local government, and is even entitled to carry into execution, such instructions, although at variance with the sentiments of the directors. By the law of 1784, besides, power is given to the King of removing such servants of the company as have incurred his disapprobation, and of imposing a negative on the appointments made by the court of directors to some of the highest offices in the government of India. The influence of the crown over the court of directors has of course become nearly absolute; and the government of India has thus long ago merged almost entirely into the general government of the state.—

When to these circumstances is added the precarious tenure by which the company enjoys all its privileges—the general dissatisfaction with which they are viewed by the country—and the consequent dependence of the directors and their constituents for their very existence as a corporate body on the influence of the crown, exerted for them in the houses of Parliament, no person can be at any loss to determine the degree of independence which the company enjoys, nor to account for the remarkable coincidence of views and opinions betwixt the directors and administration. These reflections must be distinctly understood. however,—it would be very foolish to censure this coincidence, and still more absurd to indulge any wish to see the company independent of the crown—for nothing would be more preposterous than that any portion of the empire should be under a government distinct and independent of the general administration. This would be a most singular arrangement indeed : to have the most extensive of all the provinces of the British empire under a different government from the empire itself—to have it under the government, perhaps, of the leaders of opposition—to have its defence provided for out of different sources, and upon different principles from those pursued by the administration of the mother-country. There is something so very whimsical in such a system, that it could never have lasted for a year ; and the en-

tire dependence of the government of India upon the crown must therefore be considered as an arrangement not only natural but inevitable. At the same time, the unquestionable fact, that such dependence does exist, and that the administration of India already belongs in substance to the crown, must diminish very much our apprehensions about the result of any change by which such an arrangement would be more directly accomplished. The present system, while it inflicts on the nation all the mischiefs of monopoly, can scarcely be said to subtract any thing of importance from the dreaded influence of the crown.

THERE is nothing in the character and condition of the subjects of the British government in India, which can require the application of rules, for the administration of their affairs, materially different from those which are suitable to all nations in a state of imperfect civilization. That the knowledge, habits, and disposition of the people of India are such as to disqualify them for taking an active share in the affairs of their own government, seems to be admitted on all hands; while it is no less certain, that the comparatively hopeless and dependent condition of this people, so far from authorising a departure in their case from the maxims of a just and benevolent administration, seem rather to prescribe a more uniform and vigorous application of these

principles, in all instances where the comfort and happiness of the governed may interfere with the gain and ambition of their more civilized superiors. The object of any system of government for a country like British India, must, of course, be confined to the security of the provinces against violence from without, and injustice within; in other words, to the maintenance of a powerful military establishment, and the due execution of a liberal and enlightened code of laws. The admission of the people to the enjoyment, under any form, of the popular rights which are unknown even in Europe, except to one nation, is altogether out of the question, equally incompatible with the character of the governed, and the nature of the authority which it must be the policy of England for ever to retain over these remote regions. It must be the business of the legislature to extend and confirm to the people of India the blessings of security and justice, which have by a wise policy been already introduced among them, under the superintendence of the British government. There is no reason to believe that these objects can be better attained by the prolongation of the company's charter; for what can there possibly be in the character and manners of the natives of India, that they should refuse the means of comfort and prosperity, unless they are tendered to them under the auspices of an association of monopolists?

Should the company then refuse to accept of a charter embracing no commercial advantages except that to which they are by law entitled—the liberty of continuing their trade and corporate capacity, but without exclusive privileges, we cannot discover that any very violent revolution will be required in transferring to the British government what it already in substance possesses—the dominion of British India.

It has been said, indeed, that as our Indian empire has hitherto proved a source of uniform expence to the parent state, so there is but little chance of any amendment in this respect when the government shall become a part of the general administration of Great Britain, which, whatever other virtues it may boast, has certainly no very high pretensions on the score of economy. The local government of India may thus become a heavy charge on the resources of the mother-country; and it were better at once to renounce all connection with the colonies, than to go on in the regular disappointment of our sanguine hopes, and the perpetual diminution of our already exhausted resources.

THERE is little fear that this piece of sage advice will be hastily adopted; and it might be enough, perhaps, merely to allude to it as one of those pitiful extravagancies into which men are easily be-

trayed by a love of paradox and an affectation of ingenuity. The reader will not think this undue severity, when he is reminded that the same persons who have hazarded their speculations on the difficulties of providing a suitable government for British India, have gravely proposed, as the best expedient which has suggested itself to their ingenuity, the establishment of an *independent* despotism in Hindostan under some of the branches of the royal family.* This plan would no doubt secure for India what its authors so much desire, a *local* government with local interests: it would break asunder, to be sure, the relations now subsisting betwixt the parent state and her colonies, and prepare the way for the substitution of new relations betwixt India and other countries, in place of those which are to be dissolved. There is but one trifling objection to this magnificent scheme—that it affords to the people of Great Britain the cheering prospect of seeing, in the course of a few years, the new government of their colonies in league with their enemies, and playing the game of France with not less zeal and dexterity, in so far as a difference of situation and circumstances will permit, than the independent government of the United States of America! To the advocates of the East India Company, again, if they should venture to state the extravagance and profusion of the British government as an objection to the proposed changes, it is suffi-

* Edinburgh Review.

cient to answer, by a reference to the authentic history of India under the government of the company itself—a reference from which, to them at least, there remains no appeal.

It now appears, indeed, to be unquestionable that the revenues of India have hitherto proved insufficient to defray the expenditure of the local government; but there is no reason for thinking the inference deduced from this circumstance a legitimate one—that there must constantly, in future, be a similar defalcation. The causes to which the past deficiencies may be ascribed are various—the extraordinary expenditure of the company's government in the wars which have been undertaken for the security of its territorial possessions, and which have terminated in a complete triumph over all the enemies of the British name and interests in Asia—and the inefficiency of the existing checks on Indian expenditure, an evil which we owe, in part at least, to the restraints imposed on the legislature by the company's chartered rights. The success, equally brilliant and decisive, which attended the administration of the Marquis Wellesley, affords the most reasonable hope that, in future, the first of these sources of expence will be gradually diminished, while habits of submission to their European rulers, and the experience of the superior justice and energy of their administration,

may be expected to diffuse among the people of British India a spirit the most favourable to the stability of our Indian empire. So long as there exists a connection (which indeed it is impossible to destroy) betwixt the general expenditure of India and the emoluments of those who are employed in the administration of affairs, no means of materially abridging that expenditure will be found, except in the superior vigilance and attention of the legislature to the affairs of India, and in a more certain and efficient system for the punishment of delinquency and malversation. But these objects must be far better secured, were a general interest excited in the destiny and affairs of India—were the means of information rendered more extensive, by the admission to our territorial possessions of men of different views and various interests—in short, were every source of interest and information on these subjects not entirely swallowed up in the powers and privileges of the company.

A POWERFUL military force will, for a long while, be required in India, from the nature and origin of the authority which Great Britain maintains over the conquered provinces. That government, which is supported by the influence of a few strangers against the natural prejudices, and not seldóm, there is ground to fear, against the true interests of a countless population, cannot be very secure

without the aid of a powerful military establishment—while it must be owned, that in proportion as the affairs of administration become extensive and complicated, do the chances increase that the expenditure will equal, or even exceed, all the revenue which can be collected without the most grievous oppressions. This is undoubtedly the inference deducible from the history of almost all the governments with which we are acquainted, and might reasonably be considered as applicable to the government of India, were it not for one or two circumstances, which we shall notice with all possible brevity.

It deserves, first of all, to be remarked, that to the government of India, which is provincial and dependent, the inferences deduced from the history of independent governments can never have a strict application. An independent government has seldom any strong motive of interest, and can never be compelled by any superior power to practise the virtue of economy. It is not wonderful, therefore, that we should have few examples, where, in such situations, the expenditure has been contracted within the limits of the ordinary revenue of the state. The local government of India has not indeed much interest in being economical—but should the administration of the 'parent' state ever come to look to the provinces as a source for sup-

plying the defalcations of the public revenue, it would have both the disposition, and the power to narrow the expenditure of the provincial government within the bounds of a just and rational economy. When the territorial revenue of India shall become the property of the state, it may not be unreasonable to anticipate a salutary change in the financial system of the provincial government.

THE proportion betwixt the revenue and expenditure of a country is necessarily dependent on the amount of population—the progress of wealth—the extension of manufactures and industry—and the comparative security against external violence and internal commotion, which the nature of the government, and the general condition of the surrounding states, permit it to enjoy. In all these points of view, the present condition of British India may be deemed a great deal more favourable than that of any European state, and the gradual increase of the revenue, in a proportion much exceeding the expenditure, may therefore be reasonably anticipated. The prodigious amount of the population—the mild and peaceful character of the people—the security from external attack which an energetic and prosperous administration of affairs has given to the British dominions in India, with the prospect of an unexampled increase of industry

and commerce in the event of a free trade—all these circumstances, taken in connection with the improved policy as to Indian finance, which may reasonably be anticipated under the auspices of the British government, seem to indicate, that the hopes so long indulged of a surplus revenue from India, applicable to the necessities of the parent state, may yet, at no distant period, be partially realized. While there seems to be no reason, therefore, to apprehend any mischief, in a political point of view, from the assumption of the government of India by the crown, should the company refuse a renewal of its charter under the conditions necessary to a free trade, the most important benefits to the commercial interests of the nation will be secured by the abolition of the monopoly

THE propositions stated in the commencement of this inquiry appear to be now established. The monopoly of the East India Company has been shewn to be at variance with every principle of sound sense, and every maxim of wise policy—while the whole of its history has been proved the most convincing and satisfactory comment on the truth and justice of every thing which has been urged against it by speculative men—its transactions having been equally inconsistent with the lawful interests of the proprietors, and the general prosperity of the nation. It has been proved, that

the opening up a free trade, on the conditions demanded by the private merchants, would not only be quite harmless, but eminently conducive to the prosperity both of Great Britain and India, while there can be no room for regret, even should the company refuse, on such terms, to continue in possession of the other privileges secured by their charter. We take leave of the subject with many apologies for the length to which the discussion has been unexpectedly carried, and with expressing a sincere and unfeigned conviction, that if, at any period it would be the duty of the legislature to remove the impolitic and unprofitable restrictions, of which there is, at this moment, so great and so universal a complaint, the present season of unexampled commercial difficulty seems loudly to demand this liberal and enlightened interference

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read, considerations, such as the evils found by experience to be.

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THE following Sheets contain the substance of a series of Letters which appeared in the *Morning Chronicle* in the course of last summer, under the signature of COSSIM. The author finding the subject too extensive to be fully discussed within the limits of a newspaper, resolved to submit his thoughts to the Public in their present shape.

London, December, 1812.



. CONSIDERATIONS,

&c.

THE little interest taken in this country about the affairs of India, is matter of wonder as well as of regret. The consequence of general indifference upon the subject has been general ignorance; and though at the present conjuncture, when the attention of the Legislature is about to be drawn to the framing of “such measures for the future government of the British possessions in India, as shall appear from experience and upon mature deliberation to be calculated to secure their internal prosperity, and to derive from those flourishing dominions the utmost degree of advantage to the commerce and revenue of the United Kingdom,” dormant interests have been awakened and powerfully excited; it is yet to be feared, that under the existing want of information, the most dangerous errors will be committed, unless much wisdom and caution are applied to repress fallacious hopes, as well as to harmonize jarring pretensions and reconcile conflicting claims.

* Speech of the Commissioners at the opening of last session of Parliament

There are certain general principles, from which it is presumed that no one will be found to dissent. Of these the most obvious are, that the common good of the empire in Europe and in Asia ought to constitute the basis of the new arrangement; that as no partial interest should be exclusively consulted, every partial view of the question ought to be received with circumspection, and even with suspicion; that subordinate ought to yield to paramount considerations; and above all, that experience should be trusted rather than speculation, in modelling the government and adjusting the relations of states.

The application of these principles to the present occasion, would naturally lead to an investigation of the causes which have produced the extension and consolidation of our power in India, and of the mode in which that power is exercised in the internal administration of those populous and fertile regions which now acknowledge the British authority.—There is hardly any question connected with the military and civil policy, the jurisprudence and financial economy of nations; scarcely any circumstance affecting the stability of governments, or the security, happiness, and prosperity of their subjects, which this range of inquiry would not embrace. Whether owing to the frequent discussions that have taken place in Parliament upon the system of administration introduced and acted upon by the East

India Company, all these questions are considered as finally put to rest, and a sound and matured conviction has been impressed upon the public mind, that both in principle and practice the system is upon the whole as unobjectionable as it can be made; or whether it arises from a prevailing indifference to unseen events and matters of remote interest, the attention of the country seems to be exclusively directed to the channel in which *the trade* with India is in future to be conducted. The state of existing treaties in India, the means and motives of aggression possessed by rival powers, the resources of wisdom and force by which aggression may be prevented or repelled, the constitution of the government, the regulations under which justice is administered, and revenue collected, and the different plans which have been proposed, or may still be in agitation for improving the condition of a vast population of British subjects, are studiously thrust into the back-ground, and in the controversy, as it presents itself in most of the publications of the day, we only see the East India Company endeavouring to preserve their commercial privileges, and another set of merchants struggling to invade them.

Were the question at issue really what in these publications it appears to be—one simply of a commercial nature—the writer of these pages would probably have abstained from taking any part in the discussion; and he has no hesitation in

acknowledging, that could he bring himself to view the subject in the light in which it is vulgarly contemplated, merely as a contest between the East India Company and the great body of British merchants, for an improvable branch of commerce, as a dispute between expiring privilege and nascent right—the claimants of an open trade should have his hearty good wishes in the cause for which they are contending. In the whole confederated host of petitioners, against the Company's privileges, there is not to be found a more zealous advocate for commercial freedom, or a more decided adversary on general grounds to monopoly, than the individual who now ventures to submit his sentiments to the public. But strong as is the popular dislike to monopoly, there are evils which it would be still more imprudent to encounter; and however just may be the general partiality to liberty of trade, there are considerations entitled to a preference. Incompatibility between objects equally desirable, leaves only a power of choice, and this choice, if judiciously made, must be directed by a comparison between their practical utility, rather than their abstract fitness. The laws by which trade is regulated, form undoubtedly a prominent feature in national policy, but they have been usually held subordinate to those institutions which provide for the security of states, and the maintenance of their mutual relations. Foreign possessions are sometimes of immense importance in a political, and comparatively of small

value in a commercial view,* and trading restrictions which if generally applied, would be unnecessary and noxious, may in certain cases be found both salutary and requisite.

It is not intended to make any attempt to prove that political advantages result to Great Britain from the empire which she has acquired in India. The fate of a country which has been the scene of so many triumphs to her arms, where the imperishable records of her virtue and humanity, as well as of her genius and enterprise appear, where the ashes of the best and bravest of her sons repose, can never be an object of indifference to England until she has ceased to care for all that concerns her glory.† Nor is it proposed to analyze the merits of the plan under which the affairs of India at

* The charges of the **Bombay** Presidency, exceed the revenues by more than a million **sterling** annually; but it surely does not follow, that on this account the **settlement** should be abandoned.

† It would be difficult to apologize for all the **British** transactions in India, since the year 1756; but dating from the time of Lord Cornwallis, it may safely be affirmed, that the spirit of the Company's policy has been wise, liberal, and humane. It exhibits an excellent practical comment upon the decree of the Roman senate, respecting **Macedonia** and **Illyricum**.—*Omnium primum liberos esse placebat Macedonas atque Illyrios, ut omnibus gentibus appareret, arma Populi Romani, non liberis servitutem, sed contrâ SERVIENTIBUS LIBERTATEM AFFERRE*; ut et in libertate gentes quæ essent, tutam eam sibi perpetuamque sub tutelâ Populi Romani

home and abroad are now administered. The practical success which has attended this plan is its best encomium, and furnishes the most satisfactory answer to the objections to which in theory it may be open. The writer's views are much more limited. The value of our Indian empire, though perhaps underrated, is no where denied, and in so far as one can judge from the printed correspondence between His Majesty's Ministers and the Court of Directors, it does not appear to be in contemplation to make any material alteration in the constitution of the existing government, or in the distribution of the power with which its several members are clothed. The object of the numerous petitions which in the course of the last year have been presented to Parliament, is to procure for the merchants of the United Kingdom, indiscriminate and free admission into the trade with India and China, in derogation of the exclusive, or rather of the modified privileges now enjoyed by the East India Company, and this object to a considerable extent has received the countenance of His

esse; et quæ sub regibus viverent, et in præsens tempus MITIORES EOS, JULTIORESQUE RESPECTU POPULI ROMANI HABERE SE. The decree was an excellent one, though it was lamentably executed. How proudly may the benefits conferred by Lord Cornwallis on the provinces of Bengal, Behar, and Orissa, and afterwards extended by Lord Wellesley to the people of the Carnatic, be contrasted with the conduct of Flaminius and Paulus Æmilius to the states of Greece!

Majesty's Government. It will be the writer's aim to shew, that this pretension, although ostensibly it be purely commercial, is in its bearings big with political mischief, and that, whilst it would, if sanctioned, utterly fail in obtaining for the petitioners the advantages they expect from a decision in their favor, it would prove ruinous in its operation to the general and paramount interests of the empire. To exclude political considerations from the discussion, would lead to participation in the prevailing error, but it is not meant to pursue them farther than is necessary to the exposure of that error.

Before entering upon any of those points of detail, which arise out of a subject confessed to be extremely extensive and complicated, it will not be either irrelevant or useless to advert shortly to the actual situations of the different parties whose interests are to be brought before Parliament for solemn deliberation and decision.

These interests may be arranged under three general heads—1st. The commercial and manufacturing interests of this country. 2dly. The political and commercial interests of the East India Company; and 3dly. The interest of Government so to conciliate and regulate the other two, as to render them conducive to the substantial and permanent prosperity of the empire. Let us look

then, for a moment, to the situation in which the parties supporting these different interests are placed, regarding the approaching expiration of the East India Company's Charter.

1st. It is well known that from causes originating in the present convulsed state of the world, the pressure upon the manufacturing and mercantile classes of the community is severe beyond example. Reduced to circumstances of great difficulty and embarrassment from the want of markets for their produce, they look with eagerness to the opening of a trade, in the prosecution of which they would have little to dread from hostile annoyance. Those countries which have been acquired by the wisdom of the national councils, and by the vigour of the national arms, they naturally consider as the proper field for commercial enterprise; and in the vast resources of widely extended regions, they fondly anticipate the reward of industry, perseverance, and skill. Asia presents itself to their imaginations unlocking new and exhaustless stores for their acceptance, with a population of countless millions inviting them, with outstretched arms, to supply their unsatisfied and insatiable wants. Is this the present state of the public mind throughout the country, or is it not? and is it, or is it not a prospect which must prove fallacious? No one who reads the resolutions which have lately been passed in many of the manufacturing and trading towns, can doubt the fact of such expect-

tations being entertained ; and no one who has soberly meditated upon the information which is within the reach of all, and the accuracy of which is not liable even to suspicion, far less those who are accurately informed from experience and observation, respecting the constitution of Asiatic Society and the state of manners in that part of the world, can help being astonished that ideas so extravagant should have gained possession of the minds of any class of individuals usually distinguished by habits of accurate discrimination and calm reflection.

Much allowance is indeed due for the circumstances under which these visionary prospects are cherished, but the *tone* in which the claims of the respectable bodies alluded to are set forth, can hardly be considered as entitled to much indulgence. Their resolutions and petitions are couched in terms of bold and imperious demand. Apparently unconscious of danger from great and sudden innovation upon a system sanctioned by the experience of ages, they plead for its overthrow on the ground of indefeasible right long lain in abeyance. Capital embarked, property acquired, and services performed under the established system, are all to give way to speculative notions and theoretical plans, or at best to principles, which, however true in the abstract, are totally inapplicable to the service into which they are forced.

The pretension itself with the expectations founded upon it will be examined hereafter : the only inference meant to be deduced from these observations *now* is, that the claims of any set of men acting under the influence of great hardships, anxious for relief from every quarter whence relief can come, and even looking for succour where it is altogether unattainable, or attainable only by inflicting calamities greater than those they seek to alleviate, ought to be listened to with extreme caution.

2. The representations of the East India Company, as a party, likewise require to be scrutinized before being admitted. They have been invested with an important stewardship, and confirmed in it by no fewer than sixteen solemn acts of the legislature. Of this stewardship they are now called upon to render an account. If they have been negligent or unfaithful, let them be dismissed with indignity from the office : but though they even stood convicted of mismanagement, it would not follow that the principles on which the affairs of India have been administered, and the connexion between the two countries has hitherto subsisted, ought to be abandoned. A casual abuse of trust, though it may discredit the agents in whom confidence has been reposed and authority vested, does not necessarily impeach the system under which misconduct has taken place.—If on the other hand the Company have acquitted themselves in their high trust, not only with integrity and credit

to themselves, but with honour and advantage to the country—if they have done more with smaller means than ever was achieved by any other body, commercial or political, in the history of the world—if by encouraging the industry, and patronising the talent of their fellow-citizens, they have acquired and preserved an empire forming the brightest jewel in the British Crown—if they have improved the condition of their subjects in the same degree that they have extended their own jurisdiction—if in war they have shewn themselves to be a most powerful ally of the paramount state, and in peace a nourisher of its resources—if their mercantile gains have been uniformly and cheerfully sacrificed to the great objects of national security and national glory—if so far from acting in the hard character of exclusive monopolists, they have long since consented to a relaxation of the terms of their existing charter, by admitting competitors into their trade—and if unwilling to follow, or imitate the grasping spirit of their opponents, they have now signified their readiness to agree to every latitude being given to a commerce (established with their capital and by their exertions) that may be deemed compatible, not with the paltry consideration of a per centage, more or less, upon their mercantile investments, but with their duties as delegated Sovereigns, with the tranquillity of their possessions, and the consequent integrity and stability of the empire—surely an assembly exercising legislative functions, will listen patiently, and listen favourably also to

claims fortified not more by prescription than by high desert.

"

The circumstances in which the Company appear before Parliament, soliciting the renewal of their charter, are rather unfavourable. The services that they have rendered to the state do indeed fill the most brilliant pages of its history during the last sixty years, but the public, from familiar acquaintance with most of these exploits, have ceased to be dazzled with their lustre. The gradual accessions of power, of wealth, and of revenue, which have been derived from India, are regarded by the nation as forming part of its own constituent resources, while the instrument by which these resources have been created, enlarged, and upheld, is too frequently overlooked. To superficial observers (and to this class, unfortunately, a majority of mankind will always belong) the recent applications of the Company to Parliament, for assistance under temporary pecuniary embarrassments, no doubt bear an unfavourable aspect. And lastly, a great establishment, like that of the East India Company, the Directors of which possess considerable power and patronage, naturally attracts some portion of envy and jealousy, feelings which, though strongly excited by the distresses of the times, are not so blind from their violence as to incapacitate those actuated by them, from availing themselves of all the difficulties in the Company's present situation, or from employing against it, with sufficient dexterity, those weapons

of attack against trading monopolies, of which there is ample store in the repositories of economical science. For some of those unfavourable circumstances the Company are obviously not accountable; and if, as is hoped, it shall afterwards appear that for others they are not to blame, it behoves those who by careful investigation have become acquainted with their concerns, to shield them against vulgar obloquy, instead of joining in the clamour by which they are assailed.

3. In reference to the interest of Ministers, and to the arrangement which they may think proper to propose to the Legislature, for the double purpose of regulating the foreign and domestic government of our Asiatic possessions, and the mode of conducting the trade with India and China, they may be considered as liable to error, either from a consciousness of strength and a desire of increasing their own power and influence, or from a sense of weakness and a wish to strengthen themselves by the adoption of popular measures. In 1783, when the affairs of the Company were brought into discussion, it was contended by the ministry of the day, a ministry powerful from the talent and rank of its members, that the sovereignty of British India ought to be assumed by the King in right of conquest, and that the administration, in all its branches, ought to be intrusted to his responsible advisers; that all orders regarding the political, financial, judicial, and military autho-

rities in India, should emanate from the sovereign, and that the Company's territorial possessions should be governed on the same principles and in the same manner as the other dependencies of the crown. It was argued on the other hand, that such a scheme went completely to subvert the balance of the constitution by throwing the whole patronage of India into the hands of the crown; that by despoiling the East India Company of a property legally acquired, and to which they had an indisputable right of possession, it was repugnant to the dictates of common justice; and that if carried into execution, it would loosen and perhaps break the tenure by which these territories were held, by an injudicious application of European maxims of government to a country not more remote in situation, than dissimilar in usages from Great Britain. The plan, after being reduced into the shape of Bills, passed the House of Commons, but was thrown out by the other House of Parliament, and its rejection was signalized by the fall of the minister by whom it was introduced. The fate of these celebrated bills will, it is hoped, operate as a salutary warning to the present and all future administrations, against harbouring projects of ambition, similar to that, which at the period referred to, was not more fortunately counteracted than it had been imprudently disclosed.

Since the institution of the Board of Commissioners for the affairs of India in 1784, His Majesty's

Government have exercised, under the sanction of the Legislature, a general superintendence and control over the civil and military concerns of the Company; an interference which has occasionally been productive of inconvenience, but which, upon the whole, has tended to give stability and vigour to the system, and to preserve a harmony of view and pursuit, as to the great objects of national policy, without depriving the Company of the management of their trade, infringing their territorial rights, or arming Ministers with a degree of influence incompatible with the liberties of the people or the independence of Parliament. The opinion of His Majesty's present Government upon the merits of the system as it now stands, may be collected from the following passage in the letter addressed by Mr. Dundas (the late President of the India Board) to the Chairman and Deputy Chairman of the East India Company, under date the 28th Dec. 1808. "I have not yet
 " heard or read any arguments against the continu-
 " ance of the system under which the British posses-
 " sions in India are governed, of sufficient weight to
 " counterbalance the practical benefits which have
 " been derived from it, in their increased and increasing
 " prosperity, and the general security and happiness of
 " their inhabitants. It is possible that the same effects
 " might have been produced under a government im-
 " mediately dependant on the crown: but for the
 " attainment of those objects, the experiment is at
 " least unnecessary, and it might be attended with

“ dangers to the constitution of the country, which, “ if they can be avoided, it would be unwise to encounter. Any alteration, therefore, which may be “ suggested in this part of the system, will probably “ be only in the details.”* This language is perhaps more cautious than the occasion required : it is certainly much less decisive than what the late Lord Melville was accustomed to use, when, on the same topic, he thought it necessary to declare an opinion. It should, however, in candour, be recollected, that Mr. Dundas, in this very letter, had a communication to make to the Chairman and Deputy Chairman of the views entertained by Ministers on the policy of opening the trade with India which he knew would be most unpalatable to the Company, and that in order to pave the way for that proposition he just insinuated the *possibility, with some danger indeed to the Constitution*, (heaven save the mark !) of another plan being devised for the conduct of the government, on the old maxim which probably both he and they understand, “ Better half a loaf than no bread.” A more palpable and alarming hint, was indeed conveyed in the same letter,

* Printed Papers, p. 12.

The printed papers referred to, in this and other parts of the pamphlet, are the papers respecting the negotiation for a renewal of the East India Company's exclusive privileges, printed by order of the Court of Directors, for the information of the proprietors of East India Stock, 4to Edition. When other documents are referred to, they are particularly specified.

respecting an alteration of the military system in India, and the consolidation of the Company's troops with the King's army; but the President of the Board seems to have been fairly reasoned into a retraction of this suggestion, by the letter from the Chairman and Deputy, dated the 13th January, 1809;* and Lord Melville, in his answer of the 17th December, 1811, after having had nearly two years for reflection, admits the objections to such a change to have great weight, and proposes to defer all farther discussion upon the subject until a future opportunity.†

Certain details, affecting both the civil government and the army, are left open for adjustment:‡ and

* Printed Papers, page 33. † Printed Papers, page 45.

‡ “ In submitting to you these observations, however, I beg to be
 “ distinctly understood as conveying to you only the *PRESENT senti-*
 “ *ments* of His Majesty's Government on the *SEVERAL POINTS to which*
 “ *the propositions relate.* Public discussion on such an important
 “ question may possibly produce an alteration of opinion on some of
 “ the details; and though the subject has been fully considered, it
 “ may be deemed necessary in the further progress of the measure,
 “ to propose on some points regulations of a different description
 “ from those which are suggested in the enclosed observations:”

“ ————— “ Though various regulations may
 “ possibly be necessary with a view to promote the discipline and
 “ efficiency of the army in India, I am not aware that any legislative
 “ enactments are requisite, *except as to the amount of force which His*

care must be taken lest these modifications as they may be termed, do not involve changes of great moment, which being sometimes effected under plausible pretences, and very modestly introduced into the world, are found on better acquaintance to assume a most imposing mien. But upon the whole it may be supposed with some degree of safety, that Ministers have no matured and deep-laid plan for materially altering the constitution of the Company, with any view of augmenting their own patronage and power.

The errors of weakness are, however, not less to be dreaded than those of ambition. The progress of the latter is sometimes staid by the re-action which they produce against their authors: the former springing from delusion, or from fear, flow on till their source is exhausted, and the mischief they occasion is irreparable. Encroachment is the cardinal vice of absolute governments. A spirit of unwise concession is the sin which more easily besets the ministers of a free state. Power is the object of both; the mode of pursuit is different; but the result is alike prejudicial to

“ Majesty may be empowered to maintain in India, at the expense of the Company, and perhaps also some provisions in regard to the RELATIONS OF THE BOARD OF COMMISSIONERS, AND THE COURT OF DIRECTORS.”—Letter from Lord Melville to the Chairman and Deputy Chairman, dated 21st March, 1812.—Printed Papers, pages 79 and 80.

the general weal. The application of these remarks will readily suggest itself to every one who has attended to the progress of the negotiation between His Majesty's Government and the Court of Directors, and to the occurrences, as well recent as more remote, which may be supposed to have retarded its termination.

Until the year 1793, the Company's exclusive trade was strictly guarded by legislative enactments; and, except in the indulgence granted to the commanders and officers of the Company's ships, no British subjects were allowed to embark in the Indian trade, although by special permission of the Court of Directors, goods belonging to individual merchants, had for a few years before that period been occasionally taken on board their vessels. By the act of 1793, the Company were bound to provide at a reasonable price 3,000 tons of shipping or more, annually, for the use of any of His Majesty's subjects who might be disposed to export British manufactures or produce to that extent, and to bring back returns in goods from India. The principal, if not the sole object of this clause in the act, was to transfer to the Thames the trade then clandestinely carried on between the British possessions in India and foreign Europe, by providing a legal channel through which the fortunes acquired by British residents in the East might be brought home to their

native country.* At that period there were no vessels in existence, or in contemplation, for the Indian trade, except the regular ships of 800 tons burden employed by the Company.

The merchants and manufacturers of this country seldom availed themselves of the privilege which they acquired under the act of 1793: but in the course of the two or three following years some of the Company's ships were required by His Majesty's Government for the public service; and a scanty harvest having about the same time enhanced the price of bread, it was deemed advisable to import large quantities of rice from India, in any fit ships that could be procured either there or in England, liberty being granted to these ships to carry out cargoes from England to India. These circumstances led to the introduction into the trade between the two countries of a new description of vessels of small size, and cheap outfit, many of which were built in India, and navigated by Indian seamen. As the emergency which called these ships into employment was of a temporary nature, it would have been unreasonable after it had ceased, to give them a preference over the ships that had been built at home,

* A professed object was also to open a vent for British manufactures. See Act 33d George III. Cap. 52. Sect. 83.

and equipped expressly for the service of the Company, and which the Company were under engagement to employ for a stipulated number of voyages.

The Indian merchants, who were also ship-owners, seeing the prospect closed, which a temporary exigence had opened to them, complained loudly of the rate of freight and other grievances to which they were subjected by the Company's regulations, and as a relief from these hardships they prayed for the permanent admission of India built ships into the trade. Their representations occasioned a great deal of discussion both here and in India; and in 1802, after much deliberation, a final arrangement was made by the Court of Directors, with the sanction of His Majesty's Government, for the future regulation of the privileged trade between India and Great Britain.

It was then determined, that in addition to the three thousand tons of shipping allowed by the 33d of the King, a farther quantity of three, four, or five thousand tons, or as much as might be wanted, should be provided by the Company, and that the ships, without being diverted to political or warlike purposes, should be appropriated to the use of the private merchants, and sail regularly at the proper seasons. Except saltpetre, and piece-goods, all articles might be laden upon these ships. The first exception was made obviously from political

considerations, and the second has not been enforced by the Company. Light and heavy goods were to be properly assorted by the Company's officers, and as the Company were to be answerable for the freight to the owners, so they were of course to load the ships if the private merchants declined, and the *onus* of providing suitable dead weight or ballast, also rested with the Company. The ships so taken up might be built either in England or India, and in no case were the merchants to be charged a higher rate of freight than the Company paid. In point of fact it has uniformly been considerably lower.*

In framing this arrangement, a clear and fixed line was drawn between a trade in its nature colonial, and a trade of simple remittance. The first could only be created by transplanting capital from this country to India; and the late Lord Melville, who at that time presided at the India Board, perfectly coincided in opinion with the Court of Directors, that the recognition of such a principle would be not only subversive of the privileges, and even of the existence

* The loss estimated to have been sustained by the Company in supplying tonnage for the privileged trade, from the year 1795 to 1810 inclusive, is £444,293, that sum being the difference between the amount of the freight actually paid by the Company for the shipping so employed, and the amount received by them from the private merchants. See *fourth Report of the Select Committee of the House of Commons, on the Affairs of the East India Company*, page 444.

of the Company, but prejudicial to the interests commercial and political of the whole empire.—The second was amply provided for in the way that has been stated. It must be confessed that the arrangement did not prove satisfactory to the private British merchants resident in India, or to their agents in this country; nor was this to be expected, because their pretensions were really, though not avowedly, founded upon the principle of a colonial trade; a principle, however, the benefit of which they were desirous should be confined to themselves as a body, to the exclusion of the rest of their fellow subjects. They wished in fact to obtain for themselves a full share of all the Company's advantages, without participating in the expense, risk, and responsibility attending its vast establishments both foreign and domestic. Being disappointed in this object, they have not ceased bitterly to complain of the restraints, delays, and vexations to which they allege that they have been subjected, from what they call an arbitrary exercise and wanton abuse of the Company's authority. Not content with presenting their complaints in the shape of representations and memorials to His Majesty's Government, and the Court of Directors, they have in the course of the last four or five years made frequent appeals to the public in pamphlets, where every term of invective is employed against the Company, and the whole policy of our Indian system is virulently attacked. The effect produced by those pub-

lications has been different probably from that which was designed. For the merchants and manufacturers at large petitioned Parliament to throw open the trade entirely, thinking very justly, that if the Company's privileges were to be invaded, and any farther enlargement given to a valuable branch of commerce, they had as good a claim as some eighteen or twenty houses of Indian agency to share in its advantages. The established houses of agency observing that things were thus taking a turn still more unfavourable to their views than the system itself on which they had laboured to encroach, have earnestly petitioned against the extension of the trade to the outports, and have remained neutral upon the other points of the controversy. Such are the conflicting pretensions which His Majesty's Government have in the first instance been called upon to reconcile, and which will soon be brought before Parliament for ultimate adjustment.

The task imposed upon Ministers, under these circumstances, is invidious and difficult, and even the purest intentions on their part do not hold out an adequate security for its right performance. As servants of the public, it is their duty at all times to defer to the public opinion, when constitutionally expressed, in so far as is consistent with an enlightened and honest sense of the national interests. At a season of great commercial difficulty, it is peculiarly their duty to devise means of relief, care being taken

that the medicine administered be not of a nature to aggravate, instead of alleviating the general distress. It is not, however, to be disguised, that the object of the petitioners is to subvert the fundamental principle of our Indian policy, and altogether to change a system sanctioned by prescriptive authority, and by long experience of its advantages; that the benefits which may result from the experiment are distant, precarious, and perhaps unattainable, and that the evils which may ensue from it, are at least equally probable and incalculably more important; that the same claims which are now brought forward have been preferred on former occasions, and rejected; that the number of the petitions, (many of them coming from places which have no direct interest in the question), together with the intemperate language in which some of them are drawn up, the industry that has been employed in collecting them, the active canvass among members of Parliament to support them, and the delegation of committees to watch the progress of the discussions, were strongly symptomatic of an intention amid the distractions of political parties, and on the supposed near approach of a dissolution of Parliament, to obtain by clamour and intrigue a measure which the petitioners despaired of achieving under a less commanding, or more temperate influence.

The embarrassment occasioned by these opposite considerations is sufficiently visible in the past stages

of the negotiation. In the letter from Mr. Dundas to the Chairman and Deputy Chairman of the East India Company, dated the 28th December, 1808, it is stated to be “ fit that the Court of Directors shall “ understand distinctly, that he cannot hold out “ to them the expectation that His Majesty’s Minis- “ ters will concur in an application to Parliament for “ a renewal of any privileges to the East India Com- “ pany, which will prevent British merchants and ma- “ nufacturers from trading to and from India and the “ other countries within the present limits of the Com- “ pany’s exclusive trade, (the dominions of the empire “ of China excepted), in ships and vessels freighted by “ themselves, instead of being confined as at present “ to ships in the service of the Company, or licensed “ by the Court of Directors.”* Let this communi- cation be compared with the following extract from Lord Melville’s letter, dated the 21st March, 1812 : “ You will do me the justice to recollect, that in all “ our discussions on this subject, both recently, and “ on former occasions, the admission of the ships of “ merchants in this country into the trade of India, “ in concurrence with those of the Company, has “ never been urged as a measure from which much “ immediate benefit would, in my opinion, be de- “ rived either to the country, or to the individuals “ who might embark in the speculation ; and I cer-

“ tainly am not without considerable apprehension
 “ that at least on the first opening of the trade, the
 “ public expectation as to the British territories in
 “ India affording any considerable outlet for British
 “ manufactures beyond the amount of our present
 “ exports, may be disappointed.”* On comparing
 these two passages, it appears that in laying down
 an open trade to India, as an indispensable con-
 dition of Ministers’ recommending to Parliament the
 renewal of the Company’s charter, the late Pre-
 sident of the India Board stipulated for what he
 afterwards admitted would be of little immediate
 benefit either to the country or individuals; and
 after such an admission, it is difficult to avoid the
 inference, that in making the stipulation, he did
 not act from his own conviction of its uti-
 lity. He rests the proposition indeed in both
 letters upon the inefficacy of the provisions under
 the act of 1793, for the trade of private individuals
 between Britain and India, which are stated to have
 been “ the source of constant dispute, and to have
 entailed a heavy expense upon the Company, with-
 out affording to the public any benefit adequate to
 such a sacrifice.” But is it not at least doubtful
 whether the regulations which both his Lordship and
 the Court of Directors agree to be necessary, in
 order to guard against the facilities afforded by the

new plan to persons who may attempt to settle and reside in India without a license from the Company, or without the knowledge and sanction of the local governments, will not prove equally unsatisfactory to the merchants both of this country and of India, as those privileges have been which were granted to them by the act of 1793, and subsequently extended by the Court of Directors in 1802? Reasoning *a priori*, it seems much more easy to regulate a monopoly than an open trade. The principle of freedom, and the proposed restrictions, are like the iron and the clay in the toes of Nebuchadnezzar's image; they may cleave, but they never will incorporate.

Again, in Article 6th, of a paper entitled—" *Hints Approved by the Committee of Correspondence, &c.*," and submitted to Lord Melville on the 3d of March, 1812, as the outline of a plan on which the Company's Charter might be renewed, it was proposed "that the whole of the Indian trade should be brought to the port of London, and the goods sold at the Company's sales, and be as at present under the Company's management."* The same principle was distinctly contained in the letter from the Chairs in January, 1809, and was not then controverted by Lord Melville. In answer to this proposition, however, his Lordship observed, in a paper transmitted on the 21st of March, 1812, "the adop-

* Printed Papers, page 63.

"tion of the regulation suggested will probably
 "tend to the security and advantage of the pub-
 "lic revenue, in collecting the duties on all arti-
 "cles imported from the East Indies and China, as
 "well as other countries to the eastward of the Cape
 "of Good Hope."* The answer is cautiously worded,
 and it would be uncandid not to allow that it con-
 tained, or rather implied, a reservation, under which
 Government might ultimately withhold assent to the
 proposition of the Court, a reservation of which
 the increasing clamour and combination against
 the Company, has actually since induced Ministers
 to avail themselves. What the petitioners for open
 trade wanted in argument, they made shift to sup-
 ply by the number, importunity, and contrivance of
 their delegated counsel; and on the 27th of April
 last, the Earl of Buckinghamshire, who had then
 succeeded to Lord Melville at the India Board, ac-
 quainted the Chairman of the Court of Directors,
 that "the representations which had been brought
 "before His Majesty's Government, had led them
 "to entertain an opinion, that they would best con-
 "sult the public interests, by not confining the im-
 "port trade from the East Indies to the Port of Lon-
 "don."† Now without presuming to insinuate that
 this change of opinion constituted any breach of
 faith towards one of the parties engaged in the nego-

* Printed Papers, page 82.

† Page 146.

ciation, it was surely not too much to expect, that a distinct communication should be made to the Court of the substance of those representations which had produced a bias on the minds of Ministers, contrary to that which they had entertained only five weeks before. Had the question involved merely the security of the revenue, Government might have claimed credit on the score of their own public duty, for the exercise of a due degree of caution in lending their countenance to any measure, by which the stability of the national resources could be endangered. But as the point at issue affected the profits of the Company equally with the duties payable to Government, it was reasonable that the Court of Directors should be consulted respecting the probable efficiency of the plan in agitation for the prevention of illicit trade, if a plan had really been digested for that purpose; and the circumstance of no such communication having been made, suggests a doubt whether any such scheme was actually matured.

Hence it appears, that the Court of Directors had no sooner consented to a partial sacrifice of their trade to public feeling, or as they very properly termed it, to public prejudice, than they were urged by fresh demands to farther concessions; and were they now to agree to the extension of the Indian trade to the outports of the kingdom, they might next be called upon to surrender the commerce with China.

In making these remarks, or any others which may be hazarded in the sequel, there is no intention whatever of blaming the conduct of Government, and much less of reflecting upon the two most respectable noblemen, who have been the official organs of conducting the correspondence of that Government with the Court of Directors. The present Ministers have acted probably in much the same way that others would have done in their place. If more has been imputed to popular influence than belongs to it, the easier it will be to retract any rash opinion which may have been given, and to proceed with caution to the completion of the arrangement; if, on the other hand, that influence has been as sensibly felt as it was powerfully exerted, an acknowledgment of the difficulties with which Ministers have had to contend will account for, and in some degree extenuate, mistakes, though it certainly does not preclude a deliberate investigation of any errors into which they may have been seduced or impelled.

The following paragraph in Lord Melville's letter of the 21st of March, 1812, contains a short summary of those errors. "As far as relates to the trade with
 " India and several other countries, included within
 " the limits of the Company's charter, the Court do
 " not appear to have succeeded in establishing the
 " proposition, that any detriment will arise to the
 " public interest, either in this country or in India,
 " or ultimately even to the interests of the Company

“ themselves, from the introduction of private adven-
 “ turers. If the Company carry on their trade more
 “ expensively and with less activity and industry than
 “ British individuals, it is unjust to the country, as
 “ well as to the inhabitants of British India, that the
 “ exclusive monopoly should be continued; and in
 “ such a state of things, the trade is more likely to
 “ be advantageous to the country and beneficial to
 “ the individuals, in their hands than in those of the
 “ Company: but if the latter shall conduct it with
 “ skill and enterprise, and with due and unremitting
 “ attention to economy, the extent of their capital,
 “ and the superior facilities which they must continue
 “ to possess, of providing their investment in India
 “ at the cheapest rate, will undoubtedly afford them
 “ the means of successful rivalry with all other
 “ competitors.”* The proposition which the Court
 had endeavoured to establish was; “ that the unli-
 “ mited freedom for which some persons had of late
 “ years contended, would have *political consequences*
 “ more injurious to the power of this country and of
 “ British India, than the advantages anticipated by
 “ sanguine minds could compensate if those advan-
 “ tages were to be realized; and that, moreover, the
 “ expectation of such advantages is unfounded, re-
 “ sulting from general presumptions, which are con-
 “ tradicted by the nature of the Indian people, cli-
 “ mate, and productions, and by the experience of

“ more than two centuries.”* If this be not the proposition alluded to by Lord Melville in the letter above*quoted, he has chosen to leave out of sight that upon which the Court of Directors thought fit principally to rest their case. If he alludes to it and at the same time denies its truth, he less impeaches their judgment, than the opinions of the most eminent statesmen who have taken a part in the affairs of India, for half a century past, opinions sanctioned within that period by eight decisions of the Legislature.† From the way in which his Lordship contrived to get rid of the objections to the scheme in contemplation, which were contained in that proposition, one might be led to suppose that the Court of Directors had searched their earliest records for some musty maxim upon which to found a new-fangled pretension, or that they had dipped into the impure sources of oriental fable, to collect matter of groundless apprehension and visionary alarm, whereas their only aim, in their correspondence with His Majesty’s Government, seems to have been to vindicate the policy of existing laws, and to defend the doctrine of the Constitution, in relation to the British possessions in India.

* Letter from the Chairman and Deputy, dated 13th Jan. 1809. Printed Papers, page 20.

† 17th George II. Cap. 17.—7th George III. Cap. 57.—9th George III. Cap. 24.—13th George III. Cap. 64.—19th George III. Cap. 61.—20th George III. Cap. 56.—21st George III. Cap. 65.—33d George III. Cap. 52.

The whole tenor of the letter from the Chairman and Deputy, dated the 13th of January, 1809, is in perfect unison with the principles maintained by the late Lord Melville, and with the sentiments which he was at pains to avow on all occasions, when the merits of our Indian system were brought into discussion. In a letter dated the 2d of April, 1800, and addressed by the Right Hon. Henry Dundas, as President of the India Board, to the Chairman of the Company, upon the subject of the private trade, he thus expressed himself. “ I set out with disclaiming being
 “ a party to those opinions which rest upon any ge-
 “ neral attack of the monopoly of the East India
 “ Company, either as to the government or com-
 “ merce of India. My sentiments, in that respect,
 “ remain exactly the same as they were when I moved
 “ the renewal of the charter in 1793 ; and if any
 “ thing, I am still more confirmed in the principles
 “ I brought forward at that time. That a direct in-
 “ terference by Government in the affairs of India, is
 “ necessary for their stability and uniformity, I am
 “ more and more convinced ; but that the ostensible
 “ form of government, with all its consequent extent
 “ and detail of patronage, must remain as it now is,
 “ I am persuaded will never be called in question by
 “ any but those who may be disposed to sacrifice
 “ the freedom and security of our constitution, to
 “ their own personal aggrandizement and ill-directed
 “ ambition. I remain equally satisfied as to the
 “ propriety of continuing a monopoly of the trade

“ in the hands of the East India Company. Those
 “ who maintain the reverse, appear to me to be
 “ misled by general theories, without attending to
 “ the peculiar circumstances of the trade they are
 “ treating of. *Viewing it as a mere commercial ques-*
 “ *tion, I believe this proposition to be a sound one : and*
 “ *if the trade were laid open, the supposed advantages*
 “ *thence arising, are at best very problematical, and*
 “ *would certainly be very precarious and short-lived.*
 “ The same principles which prove the necessity of
 “ the present form and mode of Indian government,
 “ evince the necessity of the monopoly of trade. The
 “ government and the trade are interwoven together,
 “ and we have only to recur to a very recent expe-
 “ rience, to learn the immense advantages which have
 “ flowed from that connexion of government and
 “ trade. By the commercial capital of the Company
 “ at home, acting in connexion with the public re-
 “ venues under their administration abroad, they
 “ have mutually aided and administered to the wants
 “ of each other, and the result has been the fortunate
 “ achievement of those brilliant events, upon the
 “ success of which depended the existence of the
 “ government, the territorial wealth, and the trade
 “ of India.” After recommending that a proper
 channel should be provided for the remittance to
 Great Britain of the fortunes acquired by individuals
 in India, he proceeds : “ If I am asked whether, in
 “ stating this principle, I mean that the trade to and
 “ from India, in the common use of the terms, ought

“ to be free and open to all His Majesty’s subjects in
 “ India? I answer distinctly in the negative. The
 “ nature of the Indian manufacture, and the im-
 “ morial habits of the manufacturers, exclude the
 “ practical application of so indefinite a principle to
 “ the export trade from India. The manufacture of
 “ the finer and more valuable fabrics of India, have
 “ always been produced by advances from the go-
 “ vernment, or individuals for whose behoof those
 “ fabrics are manufactured, and if the dealing with
 “ those manufacturers was to be laid open to the
 “ uncontrolled competition of every individual, the
 “ consequence would be a boundless scene of confu-
 “ sion and fraud, and ultimately the ruin of the ma-
 “ nufacturers themselves.” * * * * * “ It
 “ is immediately connected with the observations last
 “ offered, to consider by what agency is the trade of
 “ individuals in India to be carried on? If this
 “ question was to be decided on the principles of an
 “ open and free trade, the answer to the question
 “ would be, that every individual should send out or
 “ employ any agent he thought best to manage his
 “ own business. But from what I have already stated
 “ on the former point, you will anticipate my opi-
 “ nion on this; namely, that no agent should be
 “ employed in India, or permitted to reside there,
 “ except with the license of the East India Company,
 “ and subject to the control of such regulations, as
 “ the habits, prejudices, and trade of the country
 “ may render expedient. In addition to every other

“ consideration, arising out of the peculiar nature of
 “ the trade and manners of the country, there is one
 “ decisive circumstance against the tolerance of every
 “ unlicensed adventurer in India. It would rapidly
 “ and insensibly lead to the settlement and coloniza-
 “ tion of the worst kind of adventurers taking root in
 “ that country, than which there could not be a
 “ more fatal blow to the permanence of the British
 “ power and pre-eminence in India. No principle
 “ ought ever to be tolerated or acted upon, that
 “ does not proceed on the basis of India being
 “ considered as the temporary residence of a great
 “ British establishment, for the good government of
 “ the country upon steady and uniform principles;
 “ and of a large British factory, for the beneficial
 “ management of its trade upon rules applicable to
 “ the state and manners of the country.”

* * * * * “ In some of the many specula-
 “ tions I have heard, and the publications I have
 “ perused on this subject, it is usual to ask in a tone
 “ of complaint, if it is not unjust and unfair that the
 “ merchants and shipping of this country, other than
 “ the shipping of the East India Company, should
 “ be excluded from a participation of that trade
 “ which is allowed to the subjects of foreign nations ?

“ The statement at first sight may appear plau-
 “ sible ; but when examined to the bottom, it has
 “ no solidity. In truth, it is only another mode of

“ objecting to the monopoly of the East India Com-
 “ pany. If there are reasons of sound policy, why
 “ the Legislature has decided that the India trade
 “ should be carried on by a monopoly, it is because,
 “ viewing the interests of the public as one aggre-
 “ gate, it is of opinion, that those interests are best
 “ cared for by that mode of conducting the trade.—
 “ Those, therefore, who state this objection, being
 “ themselves part of that whole, are, in common with
 “ the rest of His Majesty’s subjects, reaping the be-
 “ nefit of that influx of national wealth and capital
 “ which the East India trade, so conducted, brings
 “ into the national stock. They cannot, therefore,
 “ more than others, because their occupation hap-
 “ pens to be that of merchants or ship-owners, com-
 “ plain of being injured by the means which the
 “ wisdom of Parliament has devised for introducing
 “ that flow of wealth into the kingdom.

“ The case is totally different with regard to the
 “ subjects of foreign nations. They are not the
 “ objects of the care of the British Legislature;
 “ neither are their interests at all in the view of its
 “ provisions. They reap no benefit, but the reverse,
 “ from the growing wealth and prosperity of the
 “ British empire ; and therefore are in no respect on
 “ a footing of comparison with any of the subjects of
 “ this country, to whom the restraints of the Com-
 “ pany’s charter, for the reasons already assigned,
 “ do with perfect propriety apply.

" It is quite a separate question, how far it would
 " be right to hold our Indian possessions upon prin-
 " ciples of colonial monopoly ? and it would be de-
 " viating from the strict matter of the objection, to
 " enter into that discussion in this place. It is suffi-
 " cient in point of fact to observe, in answer to the
 " merchants and ship-owners, that it is thought ex-
 " pedient for the interests of the empire at large, that
 " the East India possessions should not be regulated
 " on the principles of colonial exclusion ; and there-
 " fore no part of the subjects of Great Britain can
 " be permitted to set up a separate interest of their
 " own against that general policy. If the colonial
 " principle was to be applied to the Indian territories,
 " it would not advance by one step that separate in-
 " terest set up by the merchants and ship-owners, to
 " which I now refer."

In reply to the question, Why the merchants and
 ship-owners, subjects of His Majesty, resident in
 Britain, should not have the same indulgences which
 are contended for by His Majesty's subjects resident
 in India ? Mr. Dundas observed, " The answer is
 " plain and conclusive : in contending for this indul-
 " gence to the British subjects resident in India, I
 " am contending for a material national interest,
 " which is no other than this, that their fortunes,
 " capitals created in India, should be transferred
 " from that country to this, in a manner most bene-
 " ficial for themselves and the kingdom at large, in

“ place of being transferred through the medium of
 “ the commerce of foreigners, and thereby adding to
 “ the wealth, capital, and navigation of foreign
 “ countries. There is not a single circumstance in
 “ which this applies to the case of merchants in this
 “ country. It might be proved, if necessary, that
 “ the only effect of giving such an indulgence to the
 “ merchants resident in this country, would be a
 “ temptation to withdraw a part of the capital of the
 “ country, from a more profitable trade and more
 “ beneficial application of it, in order to divert it to
 “ another trade, less profitable to themselves and less
 “ beneficial to the public. Without, therefore, one
 “ single reason, either of private justice or public
 “ policy, it would be introducing a rival capital in
 “ India, against the remittance trade of the East
 “ India Company, and in competition likewise with
 “ those individuals whose capitals, by the proposed
 “ indulgence, it is wished to transfer to Great Bri-
 “ tain. It is argued that the extension of this indul-
 “ gence to the British merchants, would be an addi-
 “ tional encouragement to the export of British
 “ manufactures. I need only observe that the argu-
 “ ment proceeds on an erroneous view of the subject.
 “ The export trade to India can never be extended in
 “ any degree proportionate to the wealth and popula-
 “ tion of the Indian Empire, neither can the returns
 “ upon it be very profitable to individuals. Those who
 “ attend to the manners, the manufactures, the food,
 “ the raiment, the moral and religious prejudices of

“ that country, can be at no loss to trace the causes
 “ why this proposition must be a true one. The im-
 “ portance of that immense empire to this country, is
 “ rather to be estimated by the great annual addition
 “ it makes to the wealth and capital of the kingdom,
 “ than by any eminent advantages that the manufac-
 “ tures of the country can derive from the consumption
 “ of the natives of India. I do not mean to say that
 “ the exports from this country have not been very
 “ considerably increased of late years, and I make
 “ no doubt, that from recent circumstances, they
 “ may still be considerably increased. But the pro-
 “ spect, from the causes I have already referred to,
 “ must always be a limited one, and I am positive that
 “ the shipping and exertions of the East India Com-
 “ pany, joined to the returned cargoes of those ships
 “ which bring home the private trade of India, is
 “ more than adequate to any present or future in-
 “ crease of export trade that this country can look
 “ to upon any rational ground of hope.” * * *

* * * “ With regard to the agents to be employed
 “ at home, to manage the private trade of individuals
 “ from India, and to take care of their interest in
 “ the cargoes of the returning ships, I do not see the
 “ use of any interference by the Company. *The*
 “ *great interest to be attended to on the part of the*
 “ *Company, is that no goods come from India that are*
 “ *not deposited in the Company’s warehouses, and that the*
 “ *goods so imported are exposed at the Company’s sales,*
 “ *agreeably to the rules prescribed for that purpose.*”

On a perusal of the whole correspondence which took place between Mr. Dundas and a Committee of the Court of Directors in 1800 and 1801, it will be seen that there was a perfect agreement in principle, and a complete coincidence in general views, although there was a considerable difference of opinion upon some matters of detail. The President of the India Board had **stated** in the letter above quoted, the inadequacy of the provision for the private trade in the act of 1793, and urged the expediency of *allowing British subjects resident in India, to send home their funds in India built ships*. The Court professed their readiness to give every facility to the trade of remittance from India, but they contended that this, like the other branches of the trade, ought to be carried on through the medium of the Company's ships, and that the scheme for permitting British merchants resident in India, to introduce both their capital and ships into the trade, contained a principle of indefinite enlargement, which would gradually change the character of the existing intercourse. By the arrangement which took place in 1802, the difference was **compromised**, and India built ships were admitted into the trade, the Company reserving to themselves the power of freighting them, on private account. But before this arrangement was concluded, and while the discussion was still pending, it will appear from the following extract from Mr. Dundas's speech in opening the India budget for the last time in the House of Commons,

on the 12th of June, 1801, that the difficulties which were started by the Court of Directors to some part of the measure recommended by him in the preceding year, had not in the least altered his sentiments and views respecting the constitution of the Company, or the general policy on which that constitution was founded, and by adhering to which it could alone be maintained. “ Many objections have
 “ been, from time to time, raised to the policy of the
 “ restrictions imposed by the Legislature on the trade
 “ of the East, and to the exclusive privileges placed
 “ in the Company. My decided sentiments on this
 “ subject are well known : I will therefore only now
 “ advert to it, by observing, that at the renewal of
 “ the charter in 1793, the Legislature shewed every
 “ disposition to adopt such arrangements as might
 “ secure to this country as large a share of the Indian
 “ trade as possible. If any of the arrangements then
 “ made, have been found by experience inadequate
 “ to the object in view, the wisdom of the Legisla-
 “ ture, and I trust a liberal and wise policy on the
 “ part of the East India Company, will concur in
 “ correcting former error. The manner in which
 “ this shall be done, consistent with those regulations
 “ which Parliament has thought proper to impose,
 “ has long been under serious consideration. Many
 “ indulgences have already been granted to indivi-
 “ duals, and I have no doubt that ultimately such a
 “ plan will be determined upon, as shall be the means
 “ of affording all the satisfaction which in reason and

“justice can be expected. In doing this, I certainly
 “do not mean to exclude every degree of proper
 “caution, for I have no hesitation in expressing my
 “thorough conviction of its being incumbent on
 “those with whom the final arrangement of this very
 “important branch shall rest, *never to lose sight of*
 “*those salutary maxims which have been prescribed by*
 “*long experience, and that they be strictly upon their*
 “*guard that substantial and permanent benefits may not*
 “*be sacrificed to casual and perhaps illusory schemes of*
 “*gain.**

* That these sentiments were not peculiar to the late Lord Melville, will appear from the following extract from a useful pamphlet, published by an officer of the India Board in 1793.

“On the grand point, that of opening the trade altogether, we
 “have as yet *seen* no specific, well-digested plan offered to the
 “public eye. It, *however*, can hardly be supposed, that even the
 “most zealous advocates for a *new* system, can be desirous of seeing
 “the present mode of conducting the trade determined, and
 “the future trade left to *hazard and chance*. A measure more
 “preposterous *and* absurd, nor any so fraught with ruin and
 “mischief to the general interests of the *empire*, as affecting
 “the *political*, the *mercantile*, and the *financial* concerns both of
 “*Great Britain* and *India*, could not be devised or imagined by an
 “*enemy to both*.” * * * * * “In this discussion we
 “have carefully avoided quoting any of the arguments used upon
 “former occasions for and against an exclusive trade, because by
 “the acquisition of kingdoms and provinces, the Asiatic trade has
 “since those times undergone an entire change, insomuch that
 “the order and system which formerly obtained in the conduct of
 “it, seem now to be perfectly inverted. The point contended for

Such were the opinions entertained by the late Lord Melville, after having devoted twenty years of a laborious life to the study of Indian affairs, and after having held for seventeen of those years the highly responsible office of President of the Board of Commissioners. He admitted, on retiring from office with the present Viscount, "that the system established by the act of 1793, for the trade of individuals between Great Britain and India, had not answered the expectations, or fulfilled the intentions of the Legislature." Whether after the extension given to that system in 1802, he still re-

"on those occasions was simply mercantile. The subject now spreads itself into a wider field: it attaches to it *political* concerns of high importance as well as those of *commerce* and *finance*. At those times a change in the existing system was of little comparative consequence; the exports and imports were small, and the revenue by customs, if it had suffered, could easily have been made good; for the *National Debt* was then moderate, the objects left for taxation were numerous; and the real and personal assets of the Company, were more than sufficient after the discharge of their debts, to make good the value of their capital stock; it became therefore a question fairly determinable by the weight of public opinion, how the India trade might be best conducted, without involving in its consequences those important rights and interests which seem now to depend on the continuance of the present system of conducting the Government revenues and trade in all its essential parts." *A Short History of the East India Company, and of their Trade to India and China, by Francis Russel, Esq.*; 2d edition, pages 41 and 45.

How much greater weight have not these considerations acquired since 1793?

maintained of opinion, " that it did not afford all the satisfaction which *in reason and justice could be expected,*" public documents furnish no means of judging. But every person who reads the above quotations with attention, must be persuaded that he never would have become a party to the proposition made by his successor as a *sine qua non* of the renewal of the Company's privileges " that *British* merchants and " *manufacturers* shall be permitted to trade to and " from India, and the other countries within the " present limits of the Company's exclusive trade, " (the dominions of the emperor of China excepted), " in ships and vessels hired or freighted by themselves, instead of being confined as at present to " ships in the service of the Company, or licensed by " the Court of Directors," far less that he would have concurred in the opinion more recently expressed, " ~~that~~ the legislature will best consult the " public interest by not confining the import trade " from the East Indies to the port of London." It is probable indeed, that he would not have dissented from the first proposition, in so far as it goes to put an end to the Company's agency in ~~freighting~~ ships for individuals, (an agency which it is equally probable the Company would not be indisposed to relinquish); but to the first part of the proposition we have his distinct negative upon record, as likely if acted upon, " to occasion a boundless scene of confusion and fraud, and ultimately the ruin of the " manufacturers themselves ; as tending to introduce

“ without one single reason, either of private justice
 “ or public policy, a rival capital in India, against
 “ the remittance trade of the East India Company,
 “ and in competition likewise with those individu-
 “ als whose capitals it is wished to transfer to Great
 “ Britain; in fine, as leading rapidly, though insen-
 “ sibly, to the settlement and colonization of the
 “ worst set of ~~adventurers~~ in that country, than
 “ which there cannot be a more fatal blow to the
 “ permanence of the British power in India.” And
 in reference to the extension of the trade to the out-
 ports of the kingdom, we have also his recorded opi-
 nion, “ that THE GREAT INTEREST to be attended to
 “ on the part of the Company, is that no goods come
 “ from India, that are not deposited in their ware-
 “ houses, and disposed of at their sales.”

During the whole course of the ~~negociation~~, there
 is not to be found in the correspondence on the part
 of the Court of Directors, a single position which had
 not been advanced, and insisted upon by the late
 Lord Melville, as of primary importance to the in-
 terests both of the Company and the empire at
 large, nor is there any indulgence to the private
 trade which he thought it safe and expedient to grant,
 which the Court have not generally professed their
 willingness to concede. They have maintained with
 that experienced statesman, that a departure from the
 principle of the act of 1793, (by which the trade with
 India was placed under a regulated monopoly) is

pregnant with political mischiefs, without affording the prospect of any equivalent advantage; while at the same time they have disclaimed "all narrow considerations of commercial profit, or commercial jealousy,"* and have announced "their readiness to enter into a serious inquiry concerning the concessions which can be made to the public, without trenching upon the principles," not asserted for the first time in their letters, but "established in that act."† And the negotiation seems to have been suspended in April 1812, in consequence of a difference of opinion between His Majesty's Government and the Court, not respecting a concession deducible from the principle of the act of 1793, but respecting an *extreme concession*, (the opening of the trade to the outports), arising altogether out of a *new principle*, and against which the Company had been specially warned by a distinguished member of an antecedent government, that it was *their great interest to guard*.

The writer, or rather the compiler of these sheets, (for hitherto they have consisted of little more than a compilation of the opinions of others), has formed too just an estimate of his own talents to be guilty of the presumption of supposing, that he can urge any thing effectual in the way, either of enforcing the arguments which have been employed by the

Court of Directors, sanctioned as they have been by the concurrence of former Governments, and the past decisions of the Legislature, or of influencing the views of those with whom it will ultimately rest, to decide upon a great question of national policy. The short retrospect that has been taken of the relative situations of the different parties interested in the discussion, may however be useful; and though the observations that occur in the sequel, may not throw any new light upon the subject, still it is hoped that they will not be found altogether unworthy of attention by those who are disposed to candid inquiry.

In the early period of European intercourse with India, and previously to the acquisition of territory, the amount of the exports thither, in commodities from Europe, was very trifling. The investments for the home markets, and the interest money engaged in the commerce were principally purchased with bullion, and almost all the *direct* advantage of the trade arose from the profits on the sales of those investments.* In proportion as territory was acquired,

* The following passage from Montesquieu, contains an apt illustration of this position, and indicates also the conclusion to which it leads. “Quoique le commerce soit sujet à de grandes revolutions, il peut arriver que de certaines causes physiques, la qualité du terrain ou de climat, fixent pour jamais sa nature.”

“Nous ne faisons aujourd’hui le commerce des Indes, que par l’argent que nous y envoyons. Les Romains y portoient toutes

the European residents increased, and of course drew from home a supply of commodities suited to their original habits and wants. But their numbers were

“ les anneés environ cinquante millions de Sesterces. Cet argent,
 “ comme le nôtre aujourd’hui, étoit converti en marchandises
 “ qu’ils rapportoient en occident. Tous les peuples qui ont negocié
 “ aux Indes, y ont toujours porté des métaux et en ont rapporté des
 “ marchandises.

“ C’est la nature même qui produit cet effet. Les Indiens ont
 “ leurs arts, qui sont adaptés à leur manière de vivre. Notre luxe
 “ ne sauroit être le leur, ni nos besoins être leur besoins. Leur
 “ climat ne leur demande ni ne leur permet presque rien de ce qui
 “ vient de chez nous. Ils vont en grande partie nuds, les vête-
 “ ments qu’ils ont, le pays les leur fournit convenables; et leur re-
 “ ligion, qui a sur eux tant d’empire, leur donne de la répugnance
 “ pour les choses qui nous servent de nourriture. Ils n’ont donc
 “ besoin que de nos métaux qui sont les signes des valeurs, et pour
 “ lesquels ils donnent les marchandises, que leur frugalité et la na-
 “ ture de leur pays leur procure en grande abondance. Les auteurs
 “ anciens qui nous ont parlé des Indes, nous les représentent telles
 “ que nous les voyons aujourd’hui quant à la police, aux manières
 “ et aux mœurs. Les Indes ont été, les Indes seront ce qu’elles
 “ sont à présent; dans tous les tems, ceux qui negocieront aux
 “ Indes, y porteront de l’argent, et n’en rapporteront pas.” De
 “ l’esprit des loix, Livre xxi. Cap. 1.

When the President Montesquieu wrote this chapter, he did not foresee the change that has taken place in the commerce between Great Britain and India resulting from the acquisition of territory, and the subsequent conversion of a trade of barter into a trade of remittance. His remarks are strictly applicable to the grounds on which the private traders now rest their pretensions, and are also in direct opposition to their views.

comparatively so small that this demand, with all the warlike stores and clothing for the troops in the service of the European states, formed but an inconsiderable export. Rivalship in trade between those states at length begot political hostility, and the result of that hostility (whether fortunately or not, it is of little consequence now to inquire) has put Great Britain in possession of a vast Empire in Asia. It would indeed have been a barren conquest if it had afforded no rational prospect of rewarding, by some means or other, the toil and expense of acquiring, as well as the trouble and cost of administering and defending it. A *surplus Revenue* was expected from the Company's territories (obtained in part by purchase, in part by conquest, and in part by cession), after all the charges connected with the government and management of them were defrayed. This surplus, rendering unnecessary, or at least diminishing the former export of bullion from England, was to be realized through the channel of the homeward trade. Whether this expectation was reasonable or not, and whether, if reasonable, it has not been defeated by mismanagement, are fair and proper questions, but not the immediate subjects of inquiry. The statement, as it stands, serves various purposes. It shews, that prior to the possession of territorial dominion by European nations, the trade with India consisted in an exchange of its commodities for their bullion, not for European commodities; it shews that one of the ex-

pected effects of the acquisition of territory by this country, was a trade of remittance homeward superseding more or less the export of the precious metals; and it leads to a consideration of the system under which it has been at least attempted to establish that trade of remittance. The importance of each and all of these points is manifest, when we attend to the grounds on which the present expectations of the mercantile and manufacturing classes are founded, and to the radical change which an endeavour to gratify such expectations must necessarily induce into the whole system of our Indian policy.

The great source of the prevailing notions seems to be a mistaken idea, that our Asiatic territories present an advantageous market for British produce and manufactures. This idea probably originated in a natural though inconsiderate comparison of the general state of India with that of our American colonies, while in truth no two things can be more at variance. The islands in the West Indies are peopled by Europeans, having the same wants and habits with ourselves; by Africans in a state of servitude, which subjects them morally, as well as physically, to the will of their masters; and by a mixed race, whom necessity, constitutional bias, habit, and example, have inured to our mode of living. Almost every thing that the joint population consumes and uses is sent from this country; their

clothing, great part of their food and drink, their household furniture and utensils, their trinkets and ornaments, their instruments of cultivation, the harness for their horses, mules and cattle, and the machinery for the manufacture of their raw produce. The planter unites in himself the several characters of a cultivator, a manufacturer, and a merchant; and in all these capacities he is more dependent on the mother country for supplies, than she is upon return from her colonies.—How different the state of India! There a fertile soil yields every thing necessary to supply the wants and to conduce to the comfort of its inhabitants; a refined and ingenious people, have long since carried many of the arts to a still unrivalled pitch of perfection; their manners and civil institutions, grafted upon and combined with their religious tenets, are immutable because they are sacred; the same occupations and professions have descended in the same families during a lapse of ages, in a line of undeviating succession; the artificial distinction of castes has erected barriers between the different classes of society, which it is impossible to break down or overpass. The division of labour, which has contributed so much in Europe to mechanical improvement, is not only practically unknown to the natives of India, but is incompatible with their prejudices and customs. Their domestic economy is as unchangeable as their geographical position upon the face of the globe. They want nothing from us, and many of the superfluities

with which we could furnish them, their religion has taught them to abstain from, or to hold in abhorrence.. Even the demand for the finer sort of woollens, which used to be in considerable request while the native courts were in their splendour, is sadly impaired, and the little that remains is now confined entirely to the Company. This state of things we cannot change, and as it is impossible to fashion circumstances to our policy, we must be contented to accommodate our policy to the circumstances in which we are placed. Hence it follows, that the commodities exported from India must be purchased there by the precious metals, as was anciently the practice, or be remitted, conformably to the present system, in the shape of tribute, or surplus revenue, or in the fortunes of individuals, realized in the course of administering the various branches of the Government.

Whether any country can for a long period of time afford to yield a considerable tribute without receiving a commercial return, in one form or other, is a curious question of political economy; and those who are disposed to support the negative of the proposition, will have some difficulty in shewing the utility of our territorial acquisitions in India. If it is impracticable in the present channel to realize a perpetual tribute, it will be equally so in any other channel through which it may be attempted. The difficulty will neither be obviated nor lessened by transferring

the right of conveyance from the East India Company to the great body of British Merchants, and the question for Parliament to deliberate and decide upon will be, not how the trade shall be carried on, but whether our possessions in India shall be retained or abandoned ?

Those, on the other hand, who may be of opinion that the surplus produce of the land and labour of an extensive and fertile country, inhabited by a numerous and industrious population, can afford to pay for security, the equal distribution of justice, and the various advantages emanating from a vigorous and enlightened Government, will probably admit that all the trouble, expense, and responsibility should *not* be imposed upon one class, whilst all the benefit is allotted to another class of individuals; that the East India Company should *not* be loaded with all that is burdensome in the Indian connexion, if they are to be excluded from the fair recompense of capital, enterprise, and laborious management.

It has been urged with more confidence than candour, that it is idle to talk of a surplus revenue from our Indian territories; that none of the promises that have been made on this subject in time past, have ever been fulfilled; and that any expectations which may now be held forth will be productive only of new disappointment. But before coming to so hasty a conclusion, let it be recollected that the East India

Company had been for a long period incessantly engaged in expensive wars, both in India and in Egypt; that these wars have terminated successfully for the Company, and gloriously for the country; that it has been subjected to a great expense in fitting out expeditions for the reduction of the Eastern settlements of the European enemies of Great Britain; that by the prosperous issue of these expeditions, the dominions of the Crown have been extended, and England left without a rival in the whole southern hemisphere. Let it also be considered, that peace in India is now established upon a foundation which promises to be permanent; that whilst the Company's debts do not much exceed twenty-eight millions, its annual revenues amount to considerably more than fifteen millions sterling—that this revenue is collected with greater ease and punctuality than the same sum is realized in any country under Heaven, the balance remaining unacquitted at the end of three months immediately following the close of the official year (as appears from documents before the public*), not exceeding a half per cent. in the old territories, and falling short of two per cent. in the provinces more recently acquired; that the beneficent effects of their mild system of administration, matured by

* Second Report of the Select Committee of the House of Commons, on the Affairs of the East India Company, ordered to be printed 11th May, 1810.

experience, and consolidated by time, is attested by the increasing confidence of the natives, the progressive improvement of the agriculture and internal commerce of India, and a reduction of from two to four per cent. upon the interest of their debt. And after enumerating these considerations, the adversaries of the Company may safely be challenged to produce an instance in the history of the world, in which equal glory and equal advantage have been attained by equal means; where the sacrifices that have been made bear so small a proportion to the objects which have been secured, and where the burdens of the Government are so light when compared with its resources.

Nothing, however, tends so much to obscure the prospect before us, as the approach of hasty and inconsiderate innovation. It was by extreme caution and by rejecting every measure that wore an unknown aspect, that our power in India was obtained, and can alone be preserved. While the Company acted in the simple capacity of merchants, they confined themselves to their factories, occupied solely by the concerns of their trade. Even after acquiring territory, they did not venture to govern in their own name. During the existence of what was termed the double Government, the administration was conducted by natives of rank on behalf of the Company, but in the name of the Mogul. The direct appearance of the Company in the

Government is comparatively of modern date, and though the change has certainly been most beneficial upon the whole, yet but for the absolute control exercised by the local Governments over their own servants, as well as every European licensed to reside within their territories, it could not have failed to produce the most mischievous effects. The exercise of this control is easy or difficult, in exact proportion to the number over whom it is extended. Every thing bearing the semblance of arbitrary power, is so inconsistent with the principles, feelings and habits of British subjects, that it must always be submitted to by them with reluctance. Thus measures of indispensable precaution would, in certain circumstances, be represented by those affected by them, as insupportable grievances, and acts of heavy oppression. The inalienable rights of Englishmen would be pleaded against the mandates of authority; men having a common interest would make common cause; numbers would give confidence to the discontented, and a formidable opposition be arrayed against the government. Under the *native* Governments in their pristine vigour, such effects could never have been apprehended. They would have consulted their own interest by summary means, and paid little attention to the convenience or remonstrances of obnoxious individuals: but weakened as the sovereign authority in India already is to a certain degree, by the hands in which it is placed, it would be worse than imprudent, it would be fool-

hardy in the extreme to expose it to attack from a new class of settlers, difficult enough to be controlled even when they exist in small numbers, and who, if allowed to multiply, would break down all restraint.

It is well known that there is a class of politicians in this country, who treat these dangers as phantoms proper only to impose upon the weak and alarm the timid, and who are so little afraid of innovation as seriously to recommend the encouragement of colonization in India, instead of preventing its commencement and checking its progress. The persons alluded to, gravely contend that our Indian Empire must be a useless and burdensome appendage, until the plains of Hindostan are peopled by a race of European extraction, with their industry guided by British ingenuity, and stimulated by British capital. Independence they regard as the *euthanasia* of colonization; and in the ardour of their enthusiasm they view the separation of the American colonies from the parent state, and the consequences which have resulted from it to the new and the old world, as a happy omen of a revolution in Asia, proceeding from the same causes, and pregnant with similar results. These gentlemen, however, seem to forget that fifty millions of people stand in the way of their project;—that the present population must be extruded or exterminated before it can be carried into effect;—that this is an undertaking equally above our means

and our warrant;—that the conduct of Spain in South America (from which, rather than from the policy of England, in the northern provinces of that Continent the precedent seems to be drawn) has hitherto excited more abhorrence than admiration,—and that if the scheme were as successfully executed as it is mercilessly conceived, the expectations founded upon it must inevitably be defeated by the universal tendency of men as well as of animals and plants, not indigenous to the climate of Asia, to degenerate, when transplanted thither, in the course of a few generations. In proof of the last proposition, an appeal might be made to the degraded condition of the descendants of the Portuguese and Dutch colonists upon the Coasts and Islands of India, but in opposition to all the reveries of these theorists, it will be sufficient to quote the practical wisdom of the late Lord Cornwallis.—“ I am strongly impressed
 “ with a conviction,” says that venerable nobleman, in a letter to the Government at home, dated November 1794, “ that it will be of essential importance to
 “ the interest of Britain, that Europeans should be
 “ discouraged and prevented as much as possible,
 “ from colonizing and settling in our possessions in
 “ India.”

The grounds on which this opinion was formed were partially detailed in a letter from this eminent man to the Court of Directors, dated the 1st. of November, 1788, a document well worth the attention

of the merchants of this country, as well as of the Legislature, at the present juncture.

“ The exposition now given of the usual manner
 “ of providing goods here, and of the consequent
 “ restraints necessary upon manufacturers, serves to
 “ point out what the true principle of *freedom of*
 “ *trade* in this country must be. A great deal has
 “ been said on the subject, and apparently in refer-
 “ ence to the state of things in Europe, where in
 “ every branch of manufacture there are opulent
 “ men that work upon their own stock, and where
 “ the markets, supplied by goods thus produced,
 “ leave, as they ought, the seller and buyer per-
 “ fectly unrestrained. But here the single circum-
 “ stance of making advances to the manufacturer
 “ creates a great distinction. It is hence necessary
 “ to make regulations for preventing injustice, and
 “ therefore, instead of a *freedom without limitation*,
 “ to which some arguments have gone, it seems a
 “ just idea of *true commercial freedom* in the circum-
 “ stances of this country—that *all be allowed to trade,*
 “ *but according to priority of engagements and advances*
 “ *to receive their returns.*”

Upon a scheme which had been at different times suggested (and which never was more palatable than it is likely to be now) for abolishing the Company's commercial establishments, withdrawing the agents from the districts, and providing their investment

with ready money at Calcutta, his Lordship, in the same letter, made the following observations :—" The ascendency which the character and situation of Europeans have given them over the natives, has been already noticed, and the importance of the Company's commercial establishments, in the hands of their servants especially, has also been seen in protecting the manufacturers and preserving the fabrics, which purposes are more likely to be answered in the hands of the Company's servants than of other individuals. The fraudulent disposition, likewise, of the manufacturers has been observed, and to these may be added, the still too feeble operation of laws and regulations in places distant from the seats of authority and justice. If the proposed scheme were adopted, multitudes of Europeans would flock into the interior parts of the country—they would naturally possess themselves of the seats of the manufactures abandoned by the Company—eager competition must immediately arise—enhanced prices, and debased fabrics follow—the weavers would receive advances from all, and, probably, disappoint all—each would be ready to take redress at his own hands—disputes between merchants, as well as between them and the manufacturers, would be inevitable—and the country thus, in all probability, become a scene of confusion and disorder, which the distant situation and other avocations of the collectors would little permit them to rectify. How far a salutary

“freedom and extension of commerce would be promoted by such means, it cannot be hard to determine.”

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Though the foregoing extracts seem to present a mercantile view of the case only, they point to considerations of a general nature, which were strongly urged upon the attention of the authorities at home, in other despatches of the same vigorous and enlightened Statesman, as bearing directly upon the great question, *How the dominions which have been acquired for Great Britain in India can be best PRESERVED?* If in the progress of the approaching discussions this grand political question ever should be lost sight of, or if the primary object of security should eventually be made to give way to considerations of inferior moment, the evils that are likely to ensue it is easy to foresee, but dreadful to contemplate.

Generally speaking, the system under which possessions have been acquired, will be found the most effectual for their maintenance, particularly if that system has been so far matured as to provide for their consolidation and defence, their civil organization and internal quiet, their substantive resources and relative dependency. The policy of altering an established system may be influenced by various considerations, the evils found by experience to be such as attached to it, the power of correcting those evils

without incurring the risk of greater mischief, the character and habits of the people governed, and a multiplicity of circumstances incident to the sovereign authority, in whomsoever vested. It is universally admitted, that innovations of every description are more hazardous in India than in any country on the face of the earth; and if one thing has contributed more than another to the preservation of British ascendancy in that quarter, it has been a steadfast adherence to the principle of abstaining from all interference with the customs, opinions, and prejudices of the natives, and of proceeding with the utmost caution and deliberation in adopting the most obvious improvements; to a desire on our part to get acquainted with their manners, laws, and religion, solely for the purpose of testifying our respect for them; to a delicate regard for every thing that was wise and good; and a prudent forbearance with whatever appeared to be absurd or ill digested in their manners and institutions: in a word, it has been to firmness tempered by much accommodation in our deportments, and to plain dealing in our transactions, that we owe all that we have acquired; and it is only by persevering in the same line of conduct that we can hope to retain what we hold. This principle, however, could never have been acted upon with systematic uniformity, had no limits been imposed to the number of resident Europeans. Every Government, in virtue of its constituent attributes of punishing and rewarding its own

servants, may prevent gross abuses on their part, and even give a tone to the *manners* of those whom it employs; but it would be impossible for any government, however absolute, vigilant, and energetic, to watch, control, and regulate a numerous European population, dispersed over the widely-extended provinces of India. It will perhaps be urged that these observations are unnecessary, because there is no intention of permitting a free ingress of Europeans into our Indian territories. But it is of very little consequence that this is not the professed basis, if it shall prove the actual, though unavowed consequence of the new arrangement.

Liberty of trade presupposes every facility of carrying it on to advantage. It supposes that those who take cargoes to India shall have a choice of markets; that if they are disappointed at one place, they shall be allowed to transport them to another; that there they shall be permitted to remain until their transactions are finished, or rather until they choose to *confess* that their business is brought to a close; for it will be found quite impracticable to fix such a period for their stay, as in some cases will not give rise to hardship, and in others to abuse, and equally impracticable for the local authorities to inquire into the circumstances connected with each adventure. The making of purchases will involve still greater difficulties. Every person well acquainted with India, knows that there are no stores of goods

at the maritime ports from which cargoes can be made up. An order in long advance must be given for the goods which it is intended to export. Part of the price must be advanced before the raw material is manufactured, sometimes before it is in existence; another part must be paid before the article is delivered, and the remainder at the period of delivery. In India there are no over-stocked warehouses, no bills at distant dates, no twelve-months or two years' credit. Who then are to provide the investments of the private merchants? If the servants of the Company, a conspiracy would instantly be suspected to ruin the private merchant by supplying him with bad articles at exorbitant prices. If agents are to be chosen by the merchants themselves and permitted by the Government to reside in India, the most superficial thinker must perceive that this is a trade for which an apprenticeship is necessary, and that a young man sent out to India from Liverpool, Manchester, or Glasgow, ignorant of the language and manners of the natives, would require some tuition before he could be qualified to acquit himself with advantage of the trust reposed in him by his employers. The number of these agents, however, is a matter of much greater anxiety than their qualifications; and to their number no probable limits can be assigned. The same reason which would prevent the private merchants, as a body, from intrusting the Company's covenanted servants with the purchase of

their investments, would make them distrustful of the agents selected by each other, and the only remedy seems to be, permitting every individual concerned in the trade to have his separate agent. The consequences it is easy to foretel. In the ardour of new adventure, the Indian market will soon be glutted with European produce (for at this moment it is overstocked), and the irritation resulting from disappointment will vent itself against the local governments, to whose restrictions the disappointment will be imputed. At present the *boom* only is contemplated, while the *conditions* annexed to it are overlooked.—Then the conditions will be represented as more irksome and vexatious, than the total exclusion from the trade had been. Every species of evasion will be practised, and open acts of disorder committed. The operation of the law will be eluded or set at defiance. A fertile soil peopled by a feeble and timid race of inhabitants, will tempt illicit enterprise. Those who cannot earn a subsistence by legitimate pursuits, and who have not the means of returning home, will try to live as they can, by fraud, by plunder, or by arms. The peaceable and defenceless natives will be harassed and exasperated till they are at last goaded on to resistance. All respect for the national character will be extinguished, and *opinion*, the only support of the Government, be converted into the instrument of its downfall. Popular discontent will be fomented and organized by the ambition of native chieftains, prompted and aided by the most intelligent of the

Europeans, who will seek refuge under their standards from the vengeance due to their crimes. Multitudes of idle, restless, and desperate people will flock to India from this and other countries, eager to repair their fortunes, or to attain unprincipled distinction; and instead of that fair monument which the valour, wisdom, and worth of fifty years have been labouring to rear to the fame of England, and the hallowed interests of humanity, we shall leave only the miserable traces of imbecility and discord, fields of desolation, and a pile of ruins !

These are indeed portentous reflections, and would to God they had no better foundation than in the forebodings of a gloomy or heated imagination. It happens unfortunately, however, for those who may wish to give a pleasant face to a grave subject, that they completely accord not only with the sentiments which have been expressed by every Governor of India, from Mr. Hastings down to Lord Minto, but with all past experience.*

* The emphatic language of Mr. Hastings ought never to be forgotten. "I much fear, that it is not understood as it ought to be, "how near the Company's existence in India has on many occasions vibrated to the edge of perdition, and that it has been at all times suspended by a thread, so fine, that the touch of chance might break, or the breath of opinion dissolve it; and instantaneous will be its fall whenever it shall happen. May God in his mercy long avert it!" *Review of the State of Bengal*. London, 1786. Page 154.

The commercial and political evils which must result from the influx of Europeans into India, the history of our own and other countries, may teach us duly to appreciate. Thus, when Cromwel, in the year 1655, withdrew his protection from the Company, a crowd of adventurers rushed into the trade; the prices of English commodities in India were immediately reduced, while the prices of Indian produce and manufactures rose in an equal degree. The adventurers were subjected to every species of insult and indignity by the native powers, who soon discovered that the people they were dealing with did not belong to the great Company which they had learned to respect. The fall in value of Indian commodities in England, arising from eager and sudden competition, brought ruin on many of the speculators, and left no other compensation to the country for a large capital uselessly employed, than the unnatural stimulus given to rapid and wasteful consumption by low prices and a glutted market.

Another remarkable instance of the mischiefs arising from the resort of private adventurers to India, occurred in the reign of Charles II. At that time a number of private ships embarked in the trade, in defiance of the Company; and though a few of the adventurers gained by the experiment, a very large proportion were ruined in consequence of it. Nor was this all—the officers and men conducted themselves during their stay in the country with so much arrogance and impropriety, as to excite the general

indignation of the inhabitants, and to draw upon the nation the resentment of the Mogul and other native Princes. War was declared—the Company's factories were seized, and the complete extirpation of the English from India, after five years' interruption to their commerce, was with difficulty prevented by the interposition of the British Government, and the most rigorous measures against the interlopers.

The fate of the Portuguese power in the East, presents an awful warning to Great Britain. The intolerable license of the roving adventurers of that nation rendered them odious to the natives, and by arming against them the whole population of the coasts and islands of India, led to the final subversion of their power by the Dutch.

The records of the English East India Company abound with instances in which the liberty of residing in India, under all the limitations at present annexed to it, has been grossly abused. To select only one out of many which might be mentioned: in 1795, two persons, of the names of Arnott and Bel-lasis, were ordered out of India for having furnished warlike stores to the Mahrattas. The former surrendered himself, or rather was delivered up, but the latter sought protection from one of the Bundela Chieftains, by whom he was afterwards employed in training and disciplining a corps of natives. About the same period, Sir John Shore was harassed with representations connected with the residence of a

number of Europeans who had settled in the province of Oude, the Vizier complaining of their interference with his officers in the collection of the revenue; and the settlers, on the other hand, claiming protection from the Governor-General against the vexations practised upon them by that Prince. In short, it was to the influence possessed by Europeans over the councils of the Sultan of Mysore, and of the Mahratta Chieftains, that the almost incessant wars in India, for a period of fifteen years, are principally to be ascribed.

In reference to these serious and well-known facts, it is to be hoped, that the Legislature will be cautious in giving its sanction to any system of intercourse by which the political interests of the country may be compromised, and our connexion with India brought into peril. The value of the stake is immense, and if we transgress the rules of the game, although by some lucky hits, we might be successful for a time, the ultimate chances, according to all calculation, are against us.

The views of the petitioners against the Company's exclusive privileges, being directed to a participation in the China trade, as well as the Indian, it becomes necessary to inquire, what would be the probable effects of throwing open that branch of Asiatic commerce to the public at large. It will be seen on referring to the Hints submitted to the consideration of the late President of the India Board by

the Court of Directors, and to the Observations sent in answer to those hints by Lord Melville,* that in the opinion of His Majesty's Government, it will be "advisable, with a view to the security of "the revenue, and to other objects connected with "the trade to China, to leave it on its present footing, and to guard by proper regulations against "any encroachment on that branch of the East India "Company's exclusive privilege." It may therefore be assumed, that on this point there is no difference of opinion, at least in principle, between His Majesty's Government and the Court of Directors.—The question, however, is one on which the public have a voice, and whatever agreement may be entered into between Ministers and the Directors, is subject to the future revisal of Parliament. If the public have been unfairly dealt with in any part of the proposed arrangement, an appeal lies open to the highest tribunal recognized by the constitution, a tribunal perfectly competent to reverse any preliminary judgment which may have been passed unfair towards the claimants, injurious to the East India Company, or prejudicial to the general interests of the empire. Every question connected with the subject, ought therefore to be treated upon the broad grounds of political and commercial expediency, without regard to the recorded opinions of any party in the pending discussion. The author

is fully sensible of the disadvantage under which he labours, from want of access to any *special* source of information. His only apology is the consciousness of meaning well, his only encouragement under an acknowledged and lamented deficiency, proceeds from confidence in the public candour. The following facts, the authenticity of which may be depended on, will, perhaps, protect him from the charge of wilful ignorance, or remissness in seeking for information in those quarters where there was a probability of its being obtained.

They may be arranged, with reference first to the municipal laws and institutions of China; and secondly, to the manufacturing, commercial, and fiscal interests of this country.

I. Some of the peculiarities in the character of the Chinese Government and people, are necessary to be known before the nature of our connexion with the country, and the fickle tenure on which it depends, can be rightly understood. Their mode both of thinking and acting is marked with a strong dislike and contempt of strangers. Agriculture constitutes the basis of the economical policy of the government, and the favourite pursuit of the people. The advantages of foreign commerce, though better appreciated now than in time past, are still held in secondary consideration, whilst the jealousy which pervades and embarrasses all their intercourse with strangers,

operates both as an obstacle to the extension of trade with their country in general, and as an impediment to the ordinary course of business with the natives, even upon its present restricted scale. Canton, or rather the river on which it stands, is now the only port in the empire open to foreign commerce. The European nations who have carried on the trade with China, never being permitted to settle upon the Continent, or to approach with their ships nearer than Hongpou, which is four leagues from the city of Canton, successively established factories on several of the little islands at the mouth of the river. To this day the English factory, after completing their sales and purchases at Hong, retire to Macao, a small settlement belonging to the Portuguese, afraid of awakening the suspicion of the Chinese Government, or of involving themselves in disputes with its subjects.

The system of absolute despotism, (in itself unfavourable to commerce) on which the Chinese Government is founded, and which pervades all the gradations of rank in society, has given rise to a notion from which no class in the country is exempt, that all communities, whether great or small, both in their integral masses and separate portions, are subject to the same mode and degree of authority as exists in China; that the Chief of the Company's factory possesses, or ought to possess, unlimited power over all individuals belonging to the English nation during their stay at Canton, and that he, as well in

his person as in the property committed to his charge, is responsible for every infraction on the part of his countrymen of the laws of the empire.

For many years the Company's representatives possessed no legitimate control over any other than the ships of their employers under their immediate orders, and accordingly the inconvenience resulting from the doctrine of responsibility held by the Chinese Government was often severely felt. In 1782, a ship supposed to be Spanish property, and to have a Dutch cargo on board, bound from Macao to Manilla, was seized by Captain M'Lary, commanding a country ship from Bengal. The Governor of Macao, in the first instance, resented this infraction of the neutrality of his port, by imprisoning the aggressor, and fining him to the amount of 70,000 dollars. But when the circumstance came to be known to the Mandarins at Canton, the Company's supercargoes were informed that they would be considered as answerable for the restoration of the ship in that instance, and in future for any similar transgression. The abandonment of the captured vessel by M'Lary and his crew, happily prevented any attempt to give effect to the menace.

In 1784, a Chinese was accidentally killed by a shot fired from on board the Lady Hughes country ship, in the act of saluting, the consequence of which was the execution of the gunner. Apprehensions being entertained by the Company's representatives,

that the vessel which occasioned the unlucky accident, might slip out of the river before the affair was investigated, they were compelled, with a view to their own security, so far to exceed their powers, as to order the commanders of the Company's ships to prevent her sailing; and when the fate of the unfortunate gunner was ultimately decided, a deputation from all the European factories was summoned to attend the Mandarin of Justice, who acquainted its members distinctly and unequivocally, that on any similar occasion that might thereafter occur, if the actual offender could not be found, the chiefs of their respective nations should be considered as answerable in their own persons.

Another occurrence took place in the same or following season, which shewed that the Chinese Government consider the Chief of the Company's factory as responsible not only for the peaceable conduct of his countrymen, but for their pecuniary engagements. Some difference in the settlement of an account having arisen between the commander of a country ship and a *security merchant*, (a term which will be afterwards explained) the latter had withheld the grand chop ~~of~~ clearance, without which no pilot would take charge of the ship. The master confiding in his own skill, resolved to remove his ship without one. In this predicament the Chinese neither attempted by force to stop the ship, nor molested the person of the commander, but conformably to their usual practice, had recourse to the Com-

pany's representatives, threatening them with a suspension of their trade, if the ship was suffered to proceed to sea before the difference was adjusted ; on which the Company's supercargoes again interfered, (although unauthorized) to prevent the sailing of the ship.

Farther, it was owing to the excesses and unwarrantable speculations entered into by some unlicensed British traders, who contracted large debts, which they were unable to pay, that the prices of Chinese commodities were increased to the Company in 1780 by the Hong merchants. In order to establish a fund for the liquidation of those debts, the prices of tea and other exports were then raised to a standard from which they have never since been lowered ; and had the effect been foreseen, it might have been wise as a measure of œconomy, for the Company to avert it, by paying the debts at once, out of their own treasury.

In consequence of the occurrences above adverted to, and others of a similar nature, the Court of Directors, perceiving, that from the want of responsibility laid down and promulgated by the Chinese Government, their best interests were liable to injury from the folly, rashness, or dishonesty of individuals, became impressed with the necessity of investing their representatives with some legal power of control. They accordingly issued orders to all their Presidencies in India that no ship should be allowed

to clear out from thence to China until the captain and owners had entered into an engagement, under a certain penalty, to conform implicitly to such regulations as the Company's supercargoes should think proper to enact for their guidance during their stay on the Chinese coast, and the captains were required to present certificates of their clearances to the head of the Company's factory immediately on their arrival at Canton.

The commutation act having passed soon after, the consequent increase both of the Company's and country shipping, pointed out the expediency of some more efficient regulations than had hitherto existed for restraining the disorderly behaviour of the seamen; and a species of police was instituted, under the superintendence of the senior commander of the Company's ships, to which all British ships frequenting Canton are now subject. Many good effects have unquestionably been produced by these regulations, but when the difficulties arising from the peculiar character of the Chinese on the one hand, and the rash, impetuous and dissolute character of our sailors on the other are considered, it is perhaps matter of great surprise, that the intercourse has been preserved at all, than that it has been liable to casual interruption.



Chinese women are strictly prohibited by the laws of the empire from going on board of foreign ships. The consequences of such an offence, though diffi-

cult of prevention, are very serious. In 1801, a country ship, called the Dove, was detained several weeks in the river on this account, to the injury of the owners and all concerned.

A man committing an outrage in a state of intoxication, according to the criminal code of China, is exiled to a desert country, there to remain in servitude.

By the same laws, the abetting, or encouraging of emigration, is punished as a capital crime. It would be absurd to suppose that violations of such laws do not under present circumstances frequently occur. Indeed the loss of men on board the Company's ships, from casualties, desertion, or the impress for His Majesty's service, often makes it indispensably necessary to engage a certain number of Chinese seamen for the homeward voyage, because the ships could not be otherwise navigated. But the vigilance exercised by the Company's officers, renders some of these offences more rare; their local knowledge renders others less easy of detection, and the influence possessed by their Supercargo body, on all occasions secures to their representations a more favourable hearing from the government, than those of individuals could be expected to obtain.

Notwithstanding these various advantages, however, occurrences have happened even of late years,

arising out of the severity of the Chinese laws respecting homicide, which have been productive of much inconvenience and embarrassment, and threatened a total extinction of the trade. In 1807, a Chinese died in consequence of a wound which he had received in an affray with part of the crew belonging to one of the Company's ships. An order was immediately issued by the government at Canton, to deliver up the guilty person, and in the mean time an entire stop was put to the trade. An investigation was instituted by the commander of the suspected ship, for the discovery of the culprit, but without effect. The inquiry was farther pursued by the Chinese Mandarins themselves, and with no better success. An individual was indeed selected as one of the most active in the affray, but the guilt of inflicting the wound that had proved fatal, was not brought home to him. At last, after much discussion, an anxious interval of six weeks, and considerable expense incurred by demurrage, the ships were permitted to depart; but in consequence of this delay, the whole China fleet were obliged, under many disadvantages, to  to Europe by the Eastward passage, instead of the usual course. In 1810 and 1811, the trade  with another obstruction from a similar cause.

In mentioning these circumstances, it is due to the Company's representatives at Canton, at the same time to state, that the difficulties to which they have been on

various occasions subjected, have uniformly been surmounted by good sense, firmness, and moderation; and that, notwithstanding the jeopardy into which their persons, their property, and the interests of their employers, have been repeatedly thrown by unavoidable accident, they never have sacrificed the life or freedom of one of His Majesty's subjects to their own safety or extrication from embarrassment. Can it be believed by any one, that private individuals under like circumstances, would have been equally scrupulous and equally successful?

The principle of responsibility maintained and acted upon by the Chinese Government, in regard to strangers (as already explained), has been acknowledged by the Company in their regulations, and is, of course, confirmed by that recognition. They had, in fact, no other alternative than either to abandon the trade altogether, or to carry it on conformably to the laws and usages of China. It was equally beyond the Company's power to change the nature, or to resist the operation of the Chinese Institutions, unprotected as they have been by any existing treaty, and unsupported by the influence of the resident British Ambassador. Is it not therefore unreasonable to expect that the Company should extend their protection to their rivals in trade; and would it not be unjust to permit the private merchants of this country to place themselves in a situation in which experience has shewn that their errors, their faults, and their

crimes would be exclusively visited on the Company? Were private British merchants admitted to a participation of the trade, it would be useless for the Company to disclaim all authority over them. As long as an English flag continues to fly at Canton, the Chinese will never be persuaded that every ship bearing the same colours with the Company's ships, ought not to be subject to the control of the Company's agents. An inevitable consequence of the trade being thrown open is, that the ships of individual merchants would claim the protection of the Company's supercargoes whenever they involved themselves in difficulty, and would spurn their control when they found constraint inconvenient or unpleasant.

Another obstacle to a free trade presents itself: When the Chinese first entered into commercial intercourse with other countries, their cautious and wary Government, with a view to avoid all cause of dispute or quarrel, constituted a certain number of native merchants into a body for the management of foreign trade, and at the same time, that it imposed an interdict against every trader who had not one of its own subjects as his security, it left the option of becoming or refusing to become security to each individual, composing this body of native merchants. *The security merchants* being answerable to their own Government for every act of those for whom security is given, are thus subjected to a heavy responsibility, and though they may have little scruple about being

guarantees for the Company's agents, after the long experience they have had of their probity and discretion, they would probably hesitate before committing themselves for the conduct of a motley class of new adventurers, in whom they could repose no such confidence.

Were a representative of the British Government appointed to the station now filled by the agents of the Company, and also to be recognized in that capacity by the Emperor of China (by no means a matter of course), it is worth consideration, setting aside the expense to the public, whether such a representative, without force to carry his orders into execution, would be adequate to the end of his appointment; whether any representative with such a force could be expected placidly to submit to the indignities to which he might occasionally be exposed; and whether a change of system might not infuse such distrust both into the Chinese Government and the security merchants as to produce a suspension of the trade, or occasion such differences as might eventually lead to our total exclusion from their ports? The existence of the trade would be reasonably be endangered by relaxing the controlling power, under which it is now carried on; and this relaxation could hardly fail to result either from changing the hands in which the power is at present vested, or from extending the sphere of its operation, so far as to render superintendence difficult if not impracticable.

Among the evils that would arise from throwing open the trade between England and China, that of smuggling articles of British manufacture into the Chinese territories in contravention of the revenue laws of the empire, is one which might with certainty be anticipated. Individuals engaged in separate adventures would naturally endeavour to promote their immediate interests, little scrupulous about the means. The evasion of the duties on woollens, which on some articles are equal to 60 and 70 per cent. on the sale prices, and considerable on all, would prove an irresistible temptation to fraud; and though it is impossible accurately to predict the consequences of such an abuse, it seems no unnatural or overstretched conclusion, that a government, jealous of its rights, and distinguished by a singular antipathy to strangers, might thereby be induced to break off all commercial intercourse with a country, when that intercourse ceased to be conducted on the principles of honesty and fair dealing. The East India Company, as a body, stand far above the suspicion of lending themselves to practices of such a nature, and every attention is paid to prevent them on the part of the officers employed in the Company's ships. The Court of Directors have very properly issued orders, that any officer detected in smuggling goods into China, shall be deprived of his portion of tonnage for a home investment, and this regulation has been found much more effectual in preventing illicit traffic, than the fine of fifty times the value of the smuggled

article, to which the offender is subject in case of detection by the Chinese laws.

It will probably be asked, do not the Americans carry on an open trade with China successfully, and might not private British merchants do the same?—To this question it may be replied, that the dispositions and habits of the seamen employed by the two countries are materially different, and that the political circumstances of the two countries themselves, have by no means, of late years, been so nearly analogous, as to warrant a fair comparison between their respective gains from the trade. The American seamen are, generally speaking, a sedate, orderly, and regular class of people. Particular care also is taken in selecting those who are employed to man their China ships. Where no competition of demand exists between the government and the merchants, this selection is always easy, and the large profits in trade which the American merchants have made in consequence of their access to foreign ports, from which Great Britain is excluded, enable them to offer to their seamen very high wages, so high as thirty dollars, or £7. per month, and not unfrequently a share in the adventure. A common American sailor may look forward, by a course of good behaviour, to become mate, or even master of a ship. Nothing can be more unpleasant than to say any thing to the disparagement of a body of men to whom this country is so eminently indebted, but it is well

known that the British seamen, particularly such as in time of war compose the crews of trading ships, do not answer precisely the above description. Dauntless in the midst of danger, bold in battle, and easily restrained on board of King's ships, but insubordinate in the merchant service, addicted to liquor, and prone to every excess when on shore, even under the eye of their own officers, it becomes quite impossible to ensure their good behaviour at a foreign port, particularly after a long voyage. The exigencies of the navy during a period of hostility, leave only the gleanings and refuse of the profession to the trade. The natural and habitual turbulence of such men, it has required all the vigilance and energy of the Company's representatives at Canton to control. The existing checks have not always been found sufficient to repress disorder, and were they either set aside or weakened, the total exclusion of our ships from the ports and rivers of China would be a consummation to be deprecated indeed, but not easily to be averted.

If the petitioners for an open trade found their claims upon an assumption, that the great profits made by the Americans upon *their* share of it could either be participated or engrossed by the rival exertions of private British merchants, they state and argue upon a fallacy. The gains of the Americans, if they exist to the extent supposed, are chiefly to be ascribed to the pacific policy of their government, and to the commercial relations in which they stand,

or have stood, with the rest of the world. It may be asserted, without fear of contradiction, that in the event either of a general peace, or of the continuance of war between Great Britain and the United States, America cannot maintain a successful competition with the East India Company in the China trade.—The woollens and metals exported from England by the Company, and the cotton, sandal wood, pepper, and other commodities exported to China from the British territories in India, by the Company, and by the Chinese themselves, are now sufficient in value to pay the whole of the Company's home investment from China. The Americans carry little thither besides silver, and therefore their gains must be confined to the profits on their return cargoes; whereas the Company have a mercantile profit upon a *large proportion* of their imports to China, and a profit upon the whole of their exports from that country.—Their gains in the trade would be still more extensive, but the produce and manufactures of this country, which they export to China, are selected less with a view to mercantile profit than to the encouragement of British industry, by procuring a vent for our own commodities. It must be obvious to every one that the general profits of the Company are much diminished by the advance of taxation, by war freights, war insurance, and the necessity imposed upon them by a state of hostility, of sending their ships out and home in fleets, and under convoy. It should, however, at the same time be recollected, that private British merchants would be subjected (were the trade

thrown open) to precisely the same inconveniences and drawbacks.

The inference which the foregoing facts and observations seem to justify, is, that the present mode of conducting the trade between England and China could not be changed without endangering the suspension, or perhaps, the total suppression of the existing intercourse; and this consideration alone is of sufficient weight to counterbalance the pretensions of those whose object it is to invade the exclusive privilege of the East India Company. It will not however be difficult to shew that the manufactures of this country, the government itself, and the great body of British consumers are as much interested in the continuance of the Company's exclusive privilege as that Corporation itself. This constitutes the

2d Branch of the subject to which it was proposed to draw the reader's attention.

The two principal articles of British produce and manufacture exported by the East India Company to China, are tin and woollens. It appears from the Printed Papers,* that in consequence of an arrangement entered into between the Company and certain proprietors of tin mines, in the County of Cornwall, in 1789, an average annual quantity of 756 tons of that metal, at the average prime cost of £74. 1s.

per ton, has been exported to China in the course of the 22 years subsequent to that agreement; that no charge has been made by the Company for freight, trouble, and expense incurred in England in shipping the tin; that after allowing $4\frac{1}{2}$ per cent. for insurance, 2 per cent. for commission and charges in China, and four months' interest for advance of money, the tin actually costs the Company £80. per ton—and that the average sale price in China has been £84. per ton, leaving to the Company a difference in their receipts beyond their disbursements of only £3. 18s. as a compensation for freight and charges of establishment. It farther appears, that in the present season the Court of Directors agreed to receive 800 tons, at the advanced price of £73. per ton, by which, according to the same calculation, the Company will actually incur a loss of 7s. 4d. per ton, exclusive of freight and charges of insurance. The sacrifice made by the Company for the encouragement of the tin miners may be duly appreciated, by referring to the same letter, where the Chairman and Deputy state,* that at Malacca, Banca, and other places in the Eastern parts of India, they could procure tin at from £67. to £70. a ton, (and that probably in exchange for the productions of our Indian territories); at which price the sales in the China market would leave them a fair mercantile profit upon this branch of their trade.

* Printed Papers, page 89.

In so far therefore as the proprietors of tin mines are interested in the pending discussion, the opening of the trade to China would be injurious to them, it being obviously unreasonable to expect that individual merchants would make the same sacrifices that the Company have made, and seem still willing to continue, for the purpose of procuring a vent for one of the staple productions of the British soil.

Another no less certain effect of throwing open the trade, would be a great reduction in the export of British woollens. The introduction of woollen manufactures into China, is of recent date, and the exports of that article, which, at the commencement of the trade, amounted in value only to a few thousand pounds, has been progressively augmented by the exertions and sacrifices of the East India Company, to near a million sterling annually. The French and Dutch attempted to introduce the woollen manufactures of their respective countries into China, but with very little success.—The Americans have occasionally, though very rarely, carried woollens to Canton, but the adventures, not having turned out profitable in a single instance, were never repeated by the same individuals. Although the commodity is peculiarly well adapted to the climate of the northern provinces of the Chinese empire, the inhabitants, provided with a substitute in furs of various descriptions, to which they have been long accustomed, have been found averse to a dress exceeding

in price, but inferior in durability to their usual clothing, harsher in its texture than their own cottons and silks, and less warm than their coverings of skins. Articles similar to the poplins and tabbinets of Ireland, are manufactured in China in abundance, and at a much cheaper rate than Ireland can afford to furnish them. The records of the East India Company not only afford ample evidence of the difficulties attending the sale of the woollens which they export, but also exhibit a series of very heavy losses sustained in this branch of the trade, although the confidence reposed by the Chinese in the honesty and good faith of the Company's agents is such, that a bale of goods passes from one province of the empire to another, and through a vast number of different hands, merely upon the credit of the Company's seal, without ever being examined, just as their merchandise imported into this country, and bought at their sales, used to pass upon the credit of the same sign over the whole continent of Europe. Notwithstanding this advantage, however, which new adventurers would not possess, the Company have lost nearly £50,000 a year, in the course of their present charter, on the article of long ~~wool~~ alone, imported into China, though only 10 per cent has been added in their accounts to the prime cost, to form the invoice price of the goods, and to cover all charges of freight, insurance, interest for money advanced, &c.; the goods being regularly paid for to the manufacturer in ready money, and sometimes a year

and a half before the value is realized in China. The motives for continuing a trade so disadvantageous, are understood to be founded on the following considerations: that it became the Company to incur a temporary loss for the sake of great public objects;—that had they exclusively consulted their own interests as a commercial body, thousands of British manufacturers who have been supported by their capital must have been reduced to distress and ruin; that the present unhappy state of the world ought not to be contemplated as permanent; that the stagnation of trade resulting from events of a transitory nature was to be counteracted by their corporate exertions in opening and even forcing outlets to the staple manufactures of this country, wherever such outlets could be found; that these exertions have hitherto hindered a temporary check to British industry from proving the cause of its lasting decline; that their exports of commodities have prevented the alternative of an addition to the heavy existing drain of specie from Great Britain, or a defalcation in the revenue, which must have ensued from a diminished importation of tea from China; and, that the loss incurred by the Company from this mode of carrying on the trade, has been in fact a part of the price paid to the public for the continuance of their exclusive privileges. Whether these considerations will be satisfactory to the political economist may be doubted: still the motives of the Company are entitled at least to indulgence, and if

in circumstances where they had only a choice of evils, they have yielded to what appeared to them to be the least injurious, they have established a claim upon the gratitude of the country instead of meriting attack. If they have erred, it has been in common with the manufacturing capitalists of Manchester, Birmingham, and other towns in the kingdom, who have continued to retain their workmen in their employ after their labour ceased to be valuable.* The reign of general principles has long since passed away, or rather has not yet commenced in the world. Man is the creature of expedient, and compromise is the law of his condition. If, forsaking the course that has been traced to us by experience, we are to tempt the region of untried speculation, we may begin with tearing every commercial treaty from the archives of the state, and committing half of our statutes to the flames.

* See evidence taken in a Committee of the House of Commons on the Orders in Council, *passim*.

The Edinburgh Reviewers in commenting upon this evidence observe: "It is pleasing, indeed, and consolatory in the midst of such a scene as is disclosed by the evidence before us, to see in how many instances the latter description of persons (the capitalist, the merchant, and the master manufacturers of all degrees) continued to give employment to their workmen, long after they ceased to make any profit by their labours; and even went on for a great length of time to maintain them at a loss to themselves. There is no national distinction so honourable, as that of breeding a race of men among whom such conduct confers no distinction." *Edinburgh Review*, No. XXXIX. p. 235.

Admitting the accuracy of the facts which have been stated, the following inferences will hardly be disputed.

1st. That the demand for British produce and manufactures in China being extremely limited, and supplied by the East India Company as exporters at a loss, the gains of the producers and manufacturers must necessarily cease, or be diminished, in the same proportion with the sacrifices of the Company, and that these sacrifices cannot be expected either on the part of that body, or of individuals after the opening of the trade, inasmuch as the Company will then be unable, and individuals will both be unable and unwilling to continue them. If the credit of the articles now exported were shaken in such an empire as China, it is impossible to say what might be the permanent effects to the manufacturers at home ; and even a temporary derangement in the export of one of the great staples of the country, could not fail to occasion much distress and clamour.

2dly. That the merchants are soliciting admission not to a profitable but to a losing commerce, in so far as the *export trade to China* is concerned, and that if capital be embarked in it, it must necessarily prove ruinous to the speculators : and

3dly. That the Legislature will best provide for the true interest of the various classes placed under its protecting care and superintendence, by attending to

facts rather than to speculation, by listening to experience rather than to vague expectations, and by refusing to hazard known, certain, and permanent advantages for a chance of something better, coupled with the numerous causes and lamentable consequences of miscarriage.

The claimants of an open trade will, no doubt, urge, that though the *export* branch of it may be unprofitable, yet that the commerce *upon the whole* must be advantageous, and that they are entitled to share in the advantage to its full extent. In order fairly to appreciate the merits of this pretension, it is necessary to consider what would be its probable operation, if sanctioned by the Legislature, upon the Revenue, and the general interests of this Country.

As to the question of *natural right*, on which the claim is founded, in some of the Petitions, it is to be observed, that on the first establishment of society, the rights of individuals are merged in the interests of the community at large, and that it is incumbent upon Government, the legitimate guardian of those interests, to protect them no less against private encroachment, than against foreign aggression. There are, in fact, no other natural rights in society than what are recognized by the *Laws* of Society. Commercial freedom, taken in the abstract, is quite as desirable as political freedom : but every person who is in the habit of attending to the numerous statutes

connected with trade and revenue, which at different periods have been passed by the Legislature, must be aware that the principle of liberty, as applied to commerce, is so modified and variously restricted, as hardly to be recognized in the system under which the commerce of the country is now carried on. To promote demand, and to facilitate supply, ought to be the great object of all commercial policy; but the tendency of the whole of our navigation laws, is to render the produce of our own soil and industry less accessible to foreigners, and to enhance the price of foreign productions to the British consumer. By appropriating to ourselves a monopoly (under certain limitations) of the trade, between the parent state and the colonies, we stinted colonial, and taxed domestic industry; and by attempting to engross a large proportion of the carrying trade between this and other countries, we paid in the increase of price for the articles imported, a sum far exceeding both our gains and savings, under the different heads of freight, insurance and commission. These laws were passed at a period when political security was justly deemed of paramount importance to the commercial freedom, which they invaded; and though in later times, when from the pressure of war, and the general circumstances of the world, our commerce is considered as being more in danger than our power, it has been deemed advisable to act upon a contrary maxim, and not only to relax the navigation act, but to permit the trade of the country to be carried on, at

least in part, through the medium of alien enemies (a maxim fully as hazardous to our political ascendancy as that which it supplanted, had been injurious to our commercial prosperity), the change is universally regarded, not as the effect of a free and enlightened choice, nor as a homage paid to the principle of commercial freedom, but as a tribute extorted by necessity, and limited by the extent and duration of that necessity. So impossible is it frequently to reconcile in practice principles in themselves equally true, and so vain is it to attempt, under all circumstances, to pursue an uniform and invariable line of conduct deducible from any one fixed principle !

It would not be difficult to shew that the *spirit* of monopoly, (whatever odium may be attached to the *term*), is not so abhorrent either to the Municipal Institutions or Statute Laws of this Country, as the arguments and pretensions of the adversaries of the East India Company might lead one to suppose.—What are all the Corporations now existing in the Kingdom, founded upon ancient Charters, and fortified by separate codes of by-laws, but so many legal monopolies, each not only exercising jurisdiction over its own members, but prescribing terms of admission to such persons as may wish to pursue any branch of trade within its limits, and proportioning the fine of entrance to the local advantages of the situation? If *natural right* is

to be appealed to, why should the City of London, for instance, possess the power of excluding from the exercise of trade within its bounds, every man in the country who has not served an apprenticeship to one of its affiliated members, or who is unable to pay the usual price for a share in their immunities? Nay, why are apprenticeships thought necessary at all, and why might not success and failure be left as a test of qualification for business, in the same way that demand in the market, and discrimination in the purchasers, are allowed to regulate the value of other commodities? Or, why should the College of Physicians possess the sole power (which no medical practitioner can invade with impunity) of treating all diseases within the precincts of the metropolis? Upon this principle, charters, indentures, and diplomas, must be considered unjust and useless usurpations upon the common rights of mankind. The Poor Laws, operating equally with Corporations, as an obstruction to the free circulation of industry, ought also to be abolished.—The Church Establishment itself, the Universities, and the various foundations of scholarships, and exhibitions connected with them, interfering, as they do, with the regular distribution of industry and stock, and introducing an unnatural competition into certain pursuits, must, in like manner, give way to the sweep of innovation. If the principle that is contended for shall be assumed as the foundation of a practical rule of conduct,

what is to become of all the laws establishing and fencing the monopoly held by the woollen manufacturers of this country? The strict prohibitions against the export of wool, in its raw state, the duties imposed on Scotch and Irish linens, when used for home consumption, and the bounties granted on their exportation, are so many encouragements held out by the Legislature, to the woollen manufacturers, at the expense not only of other classes of artisans, but of the landed proprietors, and the consumers of animal food, soap, candles, and other necessities of life, and it has also been often alleged that they serve to the deterioration of the quality of our wool. The difference again in the rates of duties levied on sugars of West India and East India growth, is founded on a preference, advantageous indeed to the colonial trade, but disadvantageous in the same proportion to the East India Company, the Asiatic planter, and the British consumer.

It would be easy, likewise, to demonstrate, that the arguments which are adduced in support of complete liberty of commerce, among all the individuals of a state, might with equal propriety, and equal force, be urged in favour of the same liberty of commerce between one state and another, and that the whole international policy of Europe, as exhibited in commercial treaties, as well as municipal laws, has been at variance with what are called the established maxims of political economy. There is more than

plausibility in the doctrine, that a nation, instead of necessarily thriving by the ruin of its neighbour, ultimately suffers from the decline of its commercial rival; that the prosperity of any single country must spread to the several countries lying within the sphere of its intercourse, till the productions of each are common to all, or till riches cease to beget wants, and wants to require gratification. A general monopoly of trade, therefore, were it attainable, would eventually prove injurious to the country possessing it, because a surplus stock of productions, without a market, contributes no more to wealth than if the commodities had never existed, and because a market presupposes not only want and supply, but the presence of *money*, or some *other medium of exchange*, the scarcity, or abundance, of which will be in an exact ratio to the of means obtaining it, or, in other words, to the proportion of trade which has eluded the grasp of the monopoly. Beautiful as this theory is, when fully developed, not only for its abstract truth, but its tendency to illustrate the beneficent designs of Providence in regard to man, yet, it has never been acted upon, and must remain impracticable, until passion has abdicated her empire, and reason assumed her rightful sway in the affairs of the world. To live in peace, and minister to each other's comfort, was the object and law of our creation, and had we fulfilled our original destiny, many fair and comely theories might have been realized, which now only

play in delightful vision before our fancies. Since war became part of our occupation, to provide for its wants, has been a necessary object of our policy, and an irregular ambition has infused itself into all our aims. Hence we have been driven from unerring principles to loose expedients; and how much soever the effect may be lamented, remedy is hopeless, while the cause continues to operate.

Without going into farther detail, for the purpose of exposing those pretensions which professedly rest upon natural right, and abstract fitness, and which are not more incompatible with the exclusive privileges of the East India Company, than with the whole policy of our commercial system, and the actual state of human affairs; it is of more importance to examine the practical advantages which result to the Country, from the privileges hitherto conferred on the Company, and the probable consequences of a refusal on the part of the Legislature to renew those privileges.

The tea imported from China by the Company, pays to Government an annual net revenue of about £3,500,000., varying little from year to year, and collected with hardly any expense to the public. The saving thus effected under the head of collection alone (supposing the average charge of realizing the public revenue to be 5 per cent.) amounts to £175,000. per annum; and the

influence of the Crown is diminished to the same extent in which the saving takes place: a consideration which it may be presumed will have no small weight with those whose constitutional jealousy sees the growth of that influence, in the increase of taxation. The duties upon tea in every view in which they can be considered, may be regarded as constituting one of the least exceptionable and most valuable sources of revenue.—Without being an indispensable necessary of life, the article is one of universal use; the tax, therefore, is exempt from all the disadvantages of imposts upon necessities, and is at the same time far more productive than the most of those which are levied upon luxuries. It is optional with every person to pay it or not, and to pay it at what times, and in what proportions he may find convenient. Being levied upon consumption, and graduated according to the different qualities of the commodity consumed, it is not only equal in its operation, but accommodates itself to the means of the consumers. Neither the supply nor the demand depending upon the varying relations of European States, the revenue derived from tea is certain, and free from those fluctuations to which the produce of many other taxes is liable. Unlike spirits, which though productive to Government, are injurious to the health and morals of the people, the beverage is not only harmless in itself, but is the source of much innocent enjoyment. The solace of the weary, and the cordial of the sick,

the enlivener of gaiety, and the soother of care, it ministers to the comfort of the cottage, and the delight of the palace, uniting the rich and the poor, and the sexes together by a bland assimilation of habit.

The importance of so large a revenue derived from a source so unobjectionable, must be generally felt and acknowledged; and if its security be incompatible with the pretensions of the claimants of an open trade, the smaller object ought certainly to give way to the greater.

The temptation to smuggling, held out by the chance of evading the duty, (amounting on tea, to 96 per cent.), is such as no legal penalties could counteract, were private merchants admitted into the trade; and in the event of its being opened to the outports, the opportunities of fraud would be so multiplied, as to defy the utmost vigilance of the largest possible establishment of revenue officers.—Individual integrity has been at all times found to afford a very feeble security for the realization of national revenue, and though there be no moral distinction between an act of public and private dishonesty, it is well known that many persons who revolt at the idea of taking an unfair advantage of their neighbours, do not hesitate to defraud Government of its dues. The character of the East India Company as a body, their responsibility to, and

dependence on the Legislature, together with the control they possess over their servants, constitute a guarantee for the fairness and regularity of their transactions, which private merchants could not furnish either individually or as a class. The Company's ships arrive periodically in fleets, their imports are brought to one place, lodged under the keys of the Government officers, and sold in presence of those officers, who have no farther trouble than to ascertain the amount of the duties, which are carefully levied, and punctually paid by the Company.— A system at once so safe, and so little expensive with a view to the collection of revenue, it is impossible for human ingenuity to devise, and any attempt to supersede it, must be attended with a great addition to the public charge, and a considerable increase of patronage to Government, while in the end, it will be found utterly ineffectual for the object which it has in view. A short time ago a ship was discovered in the river smuggling tea, purchased from an American at Gibraltar, part of the cargo having been previously landed in the Channel, and on the western coast of the kingdom, without detection. On the return of peace, the only effectual mode of preventing the introduction of smuggled tea from the Continent, will probably be a reduction of the existing duties. In time of war, such a sacrifice of revenue would certainly be attended with great inconvenience, and yet the measure of laying open the trade now contended for,

would introduce that state of things during war, which would necessarily require either a voluntary relinquishment on the part of Government, of a portion of the present duties, or give rise to that evasion of them which is only to be apprehended on a return of peace.

The smuggling of tea would be productive of the double mischief of disabling the East India Company from paying the dividends upon their stock, and of compelling the Government to have recourse to other sources of revenue, in consequence of a defalcation of the duties on that article; and is it supposable that the Legislature, admitting that there was no other danger in the experiment, would put to hazard the credit of the first corporation in the world, and the stability of three millions and a half of annual revenue, in order not to open new channels of prosperity and national wealth, but merely to transfer a portion of that trade to individuals which has hitherto been exclusively carried on by the East India Company? This is a question affecting not solely the parties immediately concerned in the pending discussion; it is one in which every individual in the Country has a direct interest. If a considerable deficiency in the revenue takes place, are the claimants of an open trade either able or willing to make it good? Must it not, on the contrary, be supplied by means of general taxation, and in the present burdened state of the nation, it will be readily admitted that it is much easier to devise and assess new taxes than to

collect them. But regulations, it seems, are to be framed so as to guard against the danger of an illicit trade, and to protect the Company and the revenue from its effects.* It is to be observed, however, that these regulations do not contemplate any infringement upon the Company's exclusive privilege to the *China* trade. Their object is solely to prevent an illicit trade in *India* commodities, in the event of the trade with India being opened to the Out-ports; and whoever has read with attention and impartiality the letters of the Deputation of the Court of Directors to the President of the Board of Commissioners of the 15th and 29th April, 1812,† will more than doubt the efficacy of such regulations, (however strong they may be) even for the limited purpose which they are said to have in view. The regulation most obviously necessary, certainly, is a strict prohibition of the importation into this country of the produce of China in any but the Company's ships, as without this prohibition the continuance of their exclusive privilege would be merely nominal, and the idea of protecting either their interests, or those of the revenue, would be altogether chimerical. The facility with which cargoes of tea might be procured at Java and the other islands in the Indian seas, would completely defeat the views, both of the Company and the Government. During the American war the Dutch were supplied at Batavia with tea carried thither by Chinese junks, at a cheaper rate than it could

* Printed Papers, p. 148.

† Pages 108 and 148.

have been provided at Canton. The teas received at that emporium are brought from the central provinces of the empire by inland navigation, frequently interrupted by land carriage over mountainous tracts, at an expense far exceeding the freight to Batavia from the ports of China contiguous to the tea country. The cost of inland conveyance, the profit of the Hong merchants, and the charges and extortions with which the trade is loaded at Canton, may fairly be estimated at 33 per cent. upon the original value of the tea. It is easy to perceive therefore, that the Company could not withstand a competition of this sort, and that the revenue, if an intermediate trade were permitted, would be exposed to the same danger that it would encounter, upon the trade being thrown entirely open.

These remarks naturally lead to a consideration of the principal question on which the parties interested are now at issue.

It appears from the Papers which have been printed, respecting the Negotiation between His Majesty's Ministers and the Court of Directors, for a renewal of the East India Company's exclusive Privileges, that a difference of sentiment (perhaps an irreconcilable one) exists between the Government of the country and the Representatives of the Company, upon the expediency of confining the Trade with India to the Port of London, or of opening it to the Out-ports,

and that in consequence of neither party being convinced by the arguments advanced by the other, in support of their opposite opinions, the Negotiation experienced a temporary suspension, and the deliberations in Parliament upon the merits of the Company's Petition were unexpectedly deferred from the last to the next Session.—The delay, in one view, can hardly fail to excite regret. In proportion as the period draws near at which the term of the Company's present Charter expires, the urgency of a Legislative decision upon the question of renewing it, or of substituting another arrangement for the administration of the British territories in India, and for the conduct of the trade between Great Britain and Asia becomes exceedingly pressing. Uncertainty regarding the duration of a Government, tends both to diminish its authority and to relax its exertions; and the mere commercial concerns of the East India Company are of such magnitude as to require a much longer period than two years to wind up. The opportunity, on the other hand, which the delay would afford for inquiry and reflection, presents some equivalent advantage for these inconveniences: an advantage which certainly will not be under-rated by those who think that already too much has been yielded to ill-founded prejudice and popular clamour, and who expect from sober investigation, modified demands rather than farther concessions.

If the Directors of the East India Company entertain

any respect for the opinions of the Statesman who long presided over the administration of their affairs, or if they are disposed to listen with reverence to his solemn and almost parting counsel, it will be impossible for them ever to agree to the extension of the trade with India to the Out-ports, against which that able Minister so recently cautioned them in terms the most direct and pointed.* Let it be remembered that the advice referred to, was tendered for the purpose of dissuading the Company from interfering in the appointment of agents for the private trade in India, farther than by license; and the ground on which it was given was, that supposing the principle then inculcated was observed, (viz. that the trade continued to be carried on under a monopoly, as limited by the act of 1793, and subject to such ulterior modifications as circumstances might suggest without doing violence to the system)—the Company would find a sufficient *commercial* security against an abuse of the privileges which it was then proposed, or which it might afterwards be deemed expedient to grant, in the existing provision that no goods should be imported from India that were not deposited in their warehouses and disposed of at their sales. Against any infringement of this provision, the late Lord Melville (then Mr. Dundas) at the same time warned them that it

* See Mr. Dundas's Letter of the 2d of April, 1800, as quoted page 41.

was *their great interest to guard*, and could he have foreseen, not only that his principle would be abandoned (as it *virtually* now is), but that the Company would be called upon to give up the only security they possess against a fraudulent invasion of their trade, his Letter would have been more appropriately couched in terms of condolence than of admonition.

The general objections, against a change of system, have more or less weight according to the extent of change which may be in contemplation; and the efficacy of those safeguards, which may be proposed for the protection of the revenue and higher objects, will very much depend upon the difficulty of either violating or eluding their operation. It is the nature of all restrictive regulations, to lose in force what they gain in expansion. The *principle* is not yet *avowed*, for example, of permitting the unlimited ingress of Europeans into our Indian territories. But if ships are allowed to clear out indiscriminately from all the ports of the United Kingdom for India, it will be impossible, under any system of precautions, to prevent the evil which all seem desirous to avert; and it would be no less unreasonable than impolitic to place the East India Company in a situation in which they would be held responsible for the tranquillity and good government of our Asiatic possessions, while, at the same time, they were precluded from the exercise of that control at home

which is indispensably necessary to the maintenance of their authority abroad. As well might they, in the event of the import trade from India being opened to the British Out-ports, be made answerable for the loss which the revenue would inevitably sustain from the fraudulent practices of individuals with whom they were in no way connected, as for the conduct of persons in India who went thither in defiance of legislative prohibitions. The Governments at the different Presidencies indeed might, as they no doubt would, be invested with power not only to restrain, but to send home unlicensed adventurers; but it cannot escape attention, that almost all the odium attending the exercise of that power would ultimately fall upon the Court of Directors, and that the unpopularity of the Government at home, would be in exact proportion to the vigilance and energy displayed by the delegated authorities in India. There would be no end to complaints, petitions, and remonstrances. Failure in adventures would be felt as a grievance, imputed misconduct represented as a cloak and excuse for oppression, and limited privilege treated as a mockery of unlimited right. The press would teem with the narratives of the discontented, and in the absence of other redress, *invective* would be resorted to by the sufferers, as a plentiful source of consolation. However much some men may affect to despise attacks of this sort, it certainly is not wise to provoke, and far less to make deliberative provision for them. Those, on the other hand, who are disposed to make a

partial surrender of their own judgment to popular prejudice, should at least bear in mind that they may on a future occasion be called on to complete the sacrifice, and that the clamour might be more easily resisted now than after it shall have been strengthened by initiation, and embittered by disappointment in the trade. Commercial speculations are not of a nature to admit of persons embarking in them one year, and withdrawing from them the next, or as soon as they are found not to answer expectation. The merchant cannot change the theatre of his transactions as he can the place of his abode. When capital is engaged, credit established, and connexion formed, he has seldom any alternative but to persevere, or become bankrupt. But in the case supposed, he would have a *tertium quid* in his option, namely, to arraign the system of government; and to this expedient he would unquestionably have recourse without minutely calculating whether his efforts to subvert it would prove fruitless or successful. The last consideration well merits attention before *any infringement* of the East India Company's existing privileges (modified as the exercise of them has been by the voluntary admission of a number of respectable individuals into the India trade) shall be definitively resolved upon. But were there no other objection to the extreme concession of *allowing ships to sail from the Out-ports of this Country*, the facility which it would afford to persons of improper characters and sinister views, of

getting clandestinely to India, seems on all prudential grounds to interpose an insuperable obstacle in the way of its adoption. It is hardly necessary to observe, that if no ships were permitted to clear out for India, excepting from the port of London, the facility alluded to would be very much diminished, though not altogether removed; and it is presumed there can be no difference of opinion about the propriety of reducing the danger so justly apprehended from colonization in India, to the least possible dimensions.

The admission of ships with cargoes from India into the Out-ports of this Country, would be injurious to the revenue, and in a still greater degree to the interests of our merchants and home manufacturers. The value of the annual imports from India according to the invoice prices, upon an average of six years from 1802-3 to 1807-8, (both inclusive,) belonging to the East India Company, to the commanders and officers of its ships, and to private British traders, amounted to £2,621,606.* Of the quantity of merchandise imported, at least three-fourths is always intended for re-exportation, and if it were not sufficiently obvious, what the actual state of the demand from foreign Europe must be under the enemy's vexatious and tyrannical decrees, its decline

* Printed Papers, page 56.

is manifest from the following facts:—First, That of 63,000 tons of shipping, which have been appropriated in the course of the last six years, by the East India Company to the private traders of the United Kingdom, only 16,230 tons have been employed:—and, Secondly, That, to say nothing of later arrivals, there were in the beginning of last July, in the Company's warehouses in London, goods of Indian produce and manufacture, worth £3,452,000, which had passed the public sales and for which no market could be found. These circumstances are mentioned for the purpose of shewing that the most unlimited freedom of trade would not afford any relief to the mercantile and manufacturing interests, which are now suffering, not from a deficiency of supply, but the want of sale; and that until the demand be restored, any addition to the stock of goods on hand would aggravate instead of alleviating the existing pressure. Such a change in the political state of Europe, as would open the markets of the Continent to the productions of India, can hardly be expected during the continuance of war, and when peace returns, the participation of other states in the commerce with India will materially interfere with the trade of this Country (however carried on), as the channel of foreign supply. The foreign demand for the goods imported by the Company, was chiefly to be ascribed at all times to their superior quality, proceeding from the advances given to the native manufacturers, and the

care taken by the Company's servants abroad in selecting their home investments; whereas an open trade, by occasioning a sudden competition in the Indian markets, would produce a general deterioration of fabrics, and thus supersede the preference which British imports have hitherto enjoyed in the markets of continental Europe; while at the same time they would cease in their degraded state to operate as a stimulus to the rival skill and ingenuity of the British manufacturer.*

* The great superiority in quality which the goods imported by the Company bear over those imported by the private merchants, will appear from the following account (for which the author is indebted to the history of the commerce with India, by Mr. Macpherson, p. 422,) of the number of pieces, the amount of proceeds, and average prices of the Bengal piece goods, sold at the East India Company's sales in the under-mentioned years, on account of the Company, and on account of private merchants.

It has been already observed, that but a small proportion of the goods imported from India enters into home consumption. Some articles, such as silk stuffs,

Sold on account of the Company.			Years.	Sold on account of private Merchants.		
Pieces sold.	Amount.	Average Price.		Pieces sold.	Amount.	Average Price.
	£.	£. s. d.			£.	£. s. d.
350,329	648,756	1 17 0	1797	136,761	151,942	1 3 0
723,127	1,219,818	1 14 0	1798	127,810	182,594	1 8 6
334,115	508,584	1 10 6	1799M.*	79,727	133,336	1 13 6
450,500	548,256	1 4 6	S.	152,370	145,503	0 19 0
1,129,501	1,406,879	1 5 0	1800	304,530	317,828	1 0 10
838,712	1,179,447	1 8 6	1801	396,111	379,569	0 19 1
437,862	660,019	1 10 0	1802	1,252,503	960,861	0 15 4
242,164	293,832	1 4 3	1803 M.	742,193	462,757	0 12 6
381,177	378,199	0 19 9	S.†	343,546	202,452	0 11 10
442,952	424,156	0 19 0	1804 M.	548,186	306,886	0 11 2
518,019	493,106	0 19 0	S.	431,013	220,082	0 10 2
174,321	142,157	0 16 6	1805 M.	320,727	193,665	0 12 0
None sold			S.	None sold		
410,196	336,453	0 16 5	1806 M.	113,233	67,453	0 11 10
199,500	146,456	0 14 9	S.	96,264	61,602	0 12 0

* M. denotes the March, and S. the September sale.

† At this sale 494,648 pieces belonging to the Company, and 501,293 belonging to private Merchants, were offered to the purchasers; but 113,171 of the former, and 157,747 of the latter class, were laid aside, there being no bidders. At some other sales still larger quantities have been withdrawn for the same reason.

The account has not been brought down to a later period, lest the subsequent depression of prices might be ascribed to the operation of Buonaparté's Continental system. The statement, as it stands, not only shews the preference that is always given to the Company's goods over those imported by private Merchants, but it also exhibits a gradually decreasing demand for the manufactures of India, arising chiefly from the improvements in the cotton manufactures of this and other countries of Europe, and a corresponding fall of price, owing in great measure, certainly to this cause; but in no small degree to the glut in the home market, occasioned by the excessive importation of the private Merchants, particularly in 1802, the year in which their privileges were extended.

and printed calicoes, are entirely prohibited, and the duties upon all are levied on so high a scale as to prevent their interference with the internal demand for our own manufactures. The duties, on muslins and nankeens, amount to £37 6s. 8d. per cent., and those on calicoes, dimities, and shawls, to £71 13s. 4d. per cent. on the sale prices. It cannot be disputed that these rates of duties offer a strong temptation to smuggling, and it is well known that even under the present system, notwithstanding all the checks which it interposes against fraud, an illicit traffic in articles of small bulk and great value, is carried on to a very considerable extent. In proportion as the checks are diminished, either in number or in force, the mischief will increase, until this branch of the revenue becomes insufficient to defray the charges of collection.

Government, however, would not be the only nor the principal sufferer from the growth of an illicit trade in articles of Indian manufacture. The British manufacturer would soon find a secret competition directed against himself, too powerful for all his industry and skill to withstand. The Bengal silks, the long cloths of Madras, and the chintzes of Surat, would secretly and insensibly find their way into our shops, our drawing-rooms, and our streets; and it would be but a slender consolation that the wearers themselves might possibly affect to lament the

confusion and distress that had befallen the laborious artisans of Spitalfields, Manchester, and Paisley. Such an unexpected encroachment upon British industry, would provoke and justify a general clamour amongst those whose province was thus clandestinely invaded. Government aware, from the defalcation in its own receipts, that the complaints were not unfounded, would naturally apply itself to devise the means of relief. To lower the duties on Indian commodities would diminish the temptation to smuggling, but it would prostrate instead of upholding the already declining industry of the country; and in such a dilemma it is not improbable that, in place of protecting regulations, a total prohibition would be required, enforced by the terror of heavy penal inflictions. Here one cannot help remarking how singularly whimsical it is that British manufacturers, who are indebted to India for many of the raw materials on which their labour is employed, and who, even in their own markets, are so far from being able to maintain a fair competition with the Indian manufacturer, as to be obliged to seek shelter under protecting duties, varying from forty to seventy per cent. upon ~~the~~ value of workmanship, should after all set up a pretension of underselling their Hindoo rivals in the Asiatic markets!

The advantages of rendering the metropolis a general emporium, both for the export and import trade with the East, are great and manifold. The export

cargoes, particularly to India, are composed of a variety of articles which must be collected from various parts of the country, and which are no where to be had in such choice and abundance as in London. The East India Company's sales, which take place at fixed periods, ensure a regular supply of the commodities both of India and China, not only to the British dealers, but to merchants, whom, in more favourable times, they invited hither from abroad, and who, during their stay in the metropolis, engaged in a number of other mercantile transactions, to the no small benefit of the general trade of the Country. When foreigners found it inconvenient to repair to London in person, for the purpose of making their purchases, the fairness of the Company's sales, and the known qualities of their merchandise, inspired them with such confidence, that they felt no uneasiness in intrusting their Correspondents with the execution of their Commissions, and the goods passed unpacked from one hand to another, on the Continent, merely upon the credit of the Company's descriptive marks. By the Act of 1793, teas cannot be put up at a higher price than the amount of cost and charges, and though a much higher price be always given by the buyers, the biddings are influenced solely by a regular demand, at no time increased by uncertainty of supply, a sufficient quantity being always on hand to prevent fluctuations in the market from the accidental loss of ships or other causes.

The private dealer knowing the extent of his custom, can calculate at every sale, within a few pounds weight the addition necessary to be made to his individual stock in order to meet the local demand for the current half year, on the expiration of which he is secure of receiving a fresh supply. In this way the practical evils incident to monopolies are guarded against, whilst the public reap all the benefits arising from the steady application of a large capital constantly employed in providing for their wants. The foreigner finding, that without capital and without risk, he can be supplied with the produce of the East through the channel of the English Company, on terms hardly less advantageous upon the whole than if he personally adventured in the Asiatic trade, is indisposed from envying either our political or commercial predominance. The British dealer is secured against the alternate recurrence of a scarcity at one time and a glut at another. The consumer is uniformly furnished at a fair price with articles unadulterated by fraud, and uninjured from long keeping; and in the collection of the *ad valorem* duties, the revenue has its full share of profit from the enhancement of price produced by competition at public sales.

No digested plan has as yet been proposed, in the event of the trade with India being opened to the British Out-ports, to protect the revenue and the fair trader against the effects of illicit commerce, and to

secure to the Country either a continuance of those advantages which are at present derived from the publicity, fairness, and regularity of the Company's sales, or any equivalent, even in prospect, for the practical benefits which the Legislature is called upon to put to hazard. It is easy to propose restraints and not exceedingly difficult to frame fiscal regulations; but every person who is at all conversant with the collection of revenue knows that the ingenuity practised in evading Government duties, is at least equal to the skill of those whose business it is to enforce them. When a new tax is imposed, several years elapse before the mode of collecting it is so far perfected as to raise the produce up to the original estimate. It is now proposed, not to ameliorate, but to change the operation of a part of our revenue system (a system which, as applicable to the trade with Asia, experience has proved to be as perfect as any that can be devised) and the effect of the change, so far as it goes, will be to place the revenue under precisely the same disadvantages that attend any novel experiment in practical finance. The saving of carriage and commission that might be effected on the goods which are now purchased in London and conveyed to different parts of the Kingdom for home consumption, would be so exceedingly trifling as scarcely to be felt by the private consumer, and is quite beneath consideration in an extended view of the subject. Yet when we investigate the arguments of the Petitioners for an open

trade with the Out-ports, if we set aside their merely theoretical reasonings on natural right, the odium of monopoly, and the general policy of leaving commerce completely unfettered by legislative interference; what besides this little practical convenience has been alleged in support of their claims? In looking at the other side of the question, considerations of far superior magnitude and weight press themselves upon our attention.

No proposition is more obvious, or likely to gain more general assent, than that every measure of policy is *prima facie* objectionable, in proportion as it tends to hurt the fair prospects of numerous classes of individuals, or to beget a great fluctuation and sudden decrease in the value of property: the risk of partial evil may no doubt be sometimes wisely incurred for the purpose of facilitating the attainment of general good; but still it is desirable that the value of what is hazarded should be fully known and duly appreciated.

The officers by whom the Company's ships are navigated, are men of high respectability and much nautical experience. Brought up in the service, their promotion is regulated by fixed rules; and the qualifications of each individual for the station he is entitled by seniority to fill, are strictly investigated before he is admitted to it. The Company's marine constitutes a sort of middle link between the Royal

Navy and the Merchant service. It has always happened at the termination of a war, that some officers of the navy who have been put upon half-pay have sought employment in the Company's ships, instead of entering the service of foreign states; and it is not unworthy of remark, that several persons who followed this course are now the ornaments of their profession and the boast of the Country. The Company's regular ships, 70 in number, employ 560 commanders and officers; their extra ships, amounting to 40, employ 140 more. To this list of 800 commanders and officers may be added 600 young men of respectable parentage and good education, who have entered the service as midshipmen, forming an aggregate of 1,400 persons, whose private prospects and professional utility in great measure depend upon the continuance of the trade in the present channel. The officers and clerks of every description employed at the India House, to the number of perhaps three or four hundred; the labourers in the Company's warehouses, to the amount of three thousand; and about twelve thousand tradesmen and artificers occupied in the supply of their shipping on the River Thames, would, together with their families, be reduced all of them to great difficulty, and many of them to absolute want. "Of what importance is it," says a wise and eloquent writer,* "under what names you injure

* Mr. Burke.

“ men and deprive them of the just emoluments of
 “ a profession in which they were not only permitted
 “ but encouraged by the state to engage; and upon
 “ the supposed certainty of which emoluments they
 “ had formed the plan of their lives, contracted
 “ debts, and led multitudes to entire dependance
 “ upon them?”

Immediately connected with this part of the subject is the large capital (certainly much under-rated at 21 millions sterling*) vested in the Company's stock and warehouses, in the East India Shipping, the Docks, and other objects subsidiary to the trade, and in the trade itself, as now carried on, which would be depreciated in value to a greater extent probably than ten times the amount of all the profit on the new capital that an unrestricted commerce would attract. Should the trade be removed from the Port of London, the stock which it has created in and about the metropolis must be brought to the hammer, and the difference in such times as the present, between a direct signal of confiscation (*cru- delem illam hastam*) and a measure involving compulsory sales is greater in name than in effect. *Sic par est agere cum civibus; non ut bis jam vidimus, hastam in foro ponere, et bona civium voci subicere præconis. At ille Græcus (id quod fuit sapientis et præstantis viri) omnibus consulendum esse putavit; cique est summa*

*ratio et sapientia boni civis commoda civium non dividere sed omnes eadem æquitate continere.**

Although it be admitted that the interests of individuals ought to give way to the great interests of the Commonwealth (care being always taken to provide an equitable compensation for whatever losses may be sustained in consequence of the accommodation), it is equally true, on the other hand, that in all political arrangements, national security is an object of loftier importance than mercantile gain. It is highly worth while, therefore, to examine what might be the effect of the extinction, or even of any considerable diminution of the Company's marine upon the essential resources and permanent stability of the British power, both in Europe and in Asia.

The advantages which may result to the State from the Company's naval establishment in future, (should the system remain undisturbed) will be best appreciated by a few cursory references to the services which it has rendered to the Country since the commencement of the war in 1793.

The ships employed in the Company's service are built and equipped with greater care, and at a much

* Cic. de Off. l. 2.

greater expense, than any other ships engaged in the commerce of the Country. They are adapted to the double purpose of trade and warfare, and though the rate of freight is necessarily proportioned to the expense of equipment, the additional charge has been much more than compensated by the security afforded to the property embarked in them.* Their own means of defence, also, have contributed not a little to relieve Government from the duty of otherwise providing for their protection. At the very beginning of the war, when the enemy's privateers were cruising unmolested in the Indian seas, in defiance of the few King's ships then stationed in that quarter of the world, three of the Company's ships were fitted out as frigates for the purpose of keeping them in check, and giving more effectual protection to the China and country trade: a task which they performed to the entire satisfaction of His Majesty's

* An estimate may be formed of the saving under the head of insurance, in consequence of the superior equipment of the Company's ships, from the statement of the rates per £100. payable at Lloyd's on ships of different descriptions from Bengal to London, delivered on the 1st of June, 1809, to the Select Committee of the House of Commons on Indian affairs, by Mr. Grant Allen, and afterwards verified by Mr. William Bell, merchant and underwriter. From thence it appears that the ships taken up for the use of the private Merchants pay a premium of 15 guineas per cent. for the voyage from Bengal, while the Company's regular ships pay only 7 guineas, and their extra ships only 9 guineas, with a return of 2, for convoy.

Government, and of the King himself, who was pleased to bestow a special mark of his approbation upon Captain Mitchell, the Commodore of the squadron.

In 1795, when a large armament was fitting out for the West Indies, under Admiral Christian, in the difficulty of obtaining good transports, Government applied to the East India Company for the use of their ships. The request was readily complied with by the Company and the owners; and the commanders and officers cheerfully proceeded upon a hazardous and unfruitful service, by which they were thrown out of their regular and lucrative employment for the whole season.

The navy in 1796, requiring an immediate augmentation of force, and the ships then employed in the China trade being considered well adapted to supply the existing deficiency, the Company yielding to the convenience of the State, allowed the owners to dispose of a certain number to Government, who converted them into 64 and 50 gun ships.

In the same year, six of the outward-bound China ships, under the orders of Captain Farquharson, by dexterous manœuvring, deceived a French squadron, consisting of six heavy frigates, and by frightening the enemy from his station in the China seas, saved not only themselves, but a homeward-bound China fleet, which might otherwise have fallen into his hands.

In the years 1795-6 and 1796-7, that critical period, when all classes of people were vying with each other in loyal efforts to meet the exigences of the State, the Company raised 3,000 seamen for the supply of the navy, at an expense of £47,000.

Some of the Company's ships served in the expedition against Manilla in 1797; and in 1799, several more served under Admiral Rainier, in conjunction with His Majesty's squadron, when the Admiral bore ample testimony to the zeal, ability, and good conduct of their commanders and officers.

The Company in 1803 presented to Government the use of ten thousand tons of shipping, which was employed in protecting the coasts of the United Kingdom against the invasion then threatened by the enemy.

In 1804, a fleet of sixteen of the China ships, under Captain Dance, encountered a French squadron, consisting of an 84-gun ship and several frigates, which, after a severe engagement, were beaten off by the skill, judgment, and bravery of the officers and crews of the Company's ships, and property was thus saved from capture to an amount of not less than six millions sterling.

At the captures of the Cape of Good Hope, Ceylon, the Mauritius, and Java, the Company's

marine was eminently conducive to the successful issue of the different expeditions, and its services have uniformly been acknowledged in terms of high approbation by those of His Majesty's Admirals, under whose auspices it has had the honour to act.

It would be tedious, and it is unnecessary to enumerate the many instances in which single ships have maintained gallant and successful struggles with privateers, and even with frigates belonging to the enemy, thereby occasioning a prodigious saving in the article of insurance. It is obvious, however, that had the Company's ships been of a smaller size, had they been less carefully equipped, or had the officers commanding them possessed less science and experience, they could neither have constituted an occasional resource to Government, nor exerted themselves with the same effect in their own defence.

At the breaking out of a war, the ten thousand seamen, composing the crews of the Company's ships, facilitate the manning of the navy. The liberal accommodation which large ships afford, conduces greatly to the health of the seamen; and in case of sickness, they have the additional recommendation of carrying medical officers, whose assistance cannot be afforded in vessels of smaller burden. It is only on board of ships of the highest class, that European troops can

be sent to India, without being exposed to a severe mortality in the course of so long a voyage. The present channels of conveyance must therefore be kept up, if the lives of our men are to be preserved, or the security of our Indian possessions maintained. How far it is reasonable to expect that the East India Company shall maintain an expensive shipping establishment for national purposes, if they are to be deprived of all recompense as a commercial body, may be left to public justice and public candour to decide. The quantity of tonnage now employed by the Company, is much greater than what is required for carrying on their trade; and though it is impossible to state what proportion of it, in time past, ought to be assigned to their political account, or what saving they might in future effect under the head of freight and demurrage, were they discharged from the obligations arising out of their political character, it is indisputable that their commercial charges would experience a very considerable reduction, were the discontinuance of their exclusive privileges to be accompanied with a release from their exclusive burdens, and an exemption from the pecuniary sacrifices connected with them.* To withdraw the immunities

* On this subject the Select Committee of the House of Commons on Indian Affairs observe, in their Fourth Report, (page 426)—
 “The shipping employed by the Company, have, in conformity
 “with their system, been for the most part, during a very long
 “period,

without removing the encumbrances, would be to commit an act of injustice without the temptation of benefiting from it, because a short-sighted policy in this, as in other instances, must inevitably defeat its own object.

In every view of the question, therefore, the Court of Directors have acted wisely in refusing to accede to the proposition for laying open the trade with India to the Out-ports of this Kingdom, and in so doing they have not consulted the interest of their constituents more than those of the empire at large.

Having thus endeavoured to point out (though

“ period, constructed for warlike as well as commercial service ; and
 “ have been frequently, and in fact constantly used for political
 “ purposes, either in the conveyance of troops and military stores,
 “ or in expeditions against the possessions of the enemy. The part
 “ of the freight, therefore, chargeable to the trade, can only be as-
 “ certained by estimate. Further, a practice has prevailed, whether
 “ correct or not your Committee do not pretend to determine, of
 “ charging the largest proportion of the whole freight of the voyage
 “ to the homeward-bound trade.” The practice has unfortunately
 been as here stated, and has arisen from the Government and
 trade being considered as two branches of one concern, ministering
 to the wants of each other, and gradually becoming so blended, as
 to render a separation of the accounts matter of extreme difficulty.
 However, if the homeward trade is charged with three-fourths of the
 freight, and the Government with only one-fourth, (or nothing at
 all, as is now the case in most instances), for troops and stores sent
 out, it is evident, that upon a final separation of interest, a new and
 more equal distribution of charge must follow of course.

most imperfectly) the danger and impolicy of laying open the trade with India and China, it may be of use, while pursuing the same humble path of explanation and matter of fact, to notice the principal objections that are urged against the system under which that branch of commerce is conducted.

It would be superfluous even to glance at the old argument against the trade with Asia, founded upon its tendency to drain the states which engage in it of the precious metals, because the principle on which the argument rests, has long since been exploded as erroneous, and also because the principle, were it as just as it is universally acknowledged to be fallacious, would be inapplicable to the trade as it is now carried on by this Country.

The objections at present most in vogue are directed generally against the system of monopoly, and particularly against the alleged abuses of the monopoly held by the East India Company: and to these alone is it necessary to advert.

1st. In reference to the general objection against monopolies, it is well known, that from the year 1756, the privileges enjoyed by the Company in the Indian trade, have been continued, not so much for commercial objects, as to enable them to realize any surplus of territorial revenue that might accrue, and above all to maintain and preserve the

connexion, which is found so advantageous to the paramount state, upon the only grounds on which it can safely rest. The exclusive trade to China has been conceded to them in like manner, with an enlightened regard to the geographical situation of that empire, its commercial intercourse with India, and the Company's services and sacrifices in maintaining the Indian connexion, as well as from considerations founded upon the peculiar character of the Chinese government and people.— It has likewise been shown, that the privileges enjoyed by the Company by no means form a *singular exception* to the otherwise uniform tenour of our national policy, but on the contrary, that the same spirit by which they were dictated pervades many of our laws and institutions. It may be farther urged, that at no time was the term monopoly strictly applicable to the privileges possessed by the Company, and that since the period of 1802, it has become an absolute misnomer. It is of the essence of a monopoly that the individual, or body possessing it, shall have the sole command of the articles in which it consists, with the power of withholding, or so disposing of them as to enhance their value in the market, and impose an arbitrary price upon the consumers. The Company instead of having a power of this sort, are obliged by law to bring to sale the commodities they import, *as early as possible*, and to dispose of them in moderate lots, at public auction, by *inch of candle*. No preference is given to their own goods, over those

belonging to individuals, and the consignees or purchasers at the sales receive their goods immediately on payment of the duties and other regulated charges. Though the commerce is conducted on a large capital, the Company's stock is constantly in the market, and the sharers are as numerous, or more so than they would be in an open trade. The books are at all times open for every description of persons of either sex, whether British subjects or foreigners, who may desire to become members of the Corporation, and who have money to adventure. In the General Courts of Proprietors, every one present has the same right with another to deliver his sentiments and give his advice. The only difference is in voting, and this difference is established on the basis of property, and graduated according to its amount. A Proprietor of £500 stock, has a right to attend and give his opinion. £1,000 stock entitles the holder to one vote by ballot—£3,000 stock to two votes—£6,000 to three votes—£10,000 to four votes, which is the largest number any individual is permitted to possess; and £2,000 stock qualifies any Proprietor for the office either of Director or Chairman of the Company. In no sense of the term can an institution so framed and regulated be called a monopoly; and after the extension allowed to the private trade in 1802, as already explained, this obnoxious appellation might be given with more propriety to several other corporate bodies, than to the East India Company.

II. It will not be contended that a mere transfer of any given portion of trade from one class of society to another, is productive of any increase of national wealth, nor will it be denied that the operation of withdrawing one set of capitals and substituting another set in the same branch of trade, is attended with loss both to individuals and the state. Admitting, therefore, the capital in this Country applicable to the trade with India to be greater than the actual trade absorbs, it by no means follows, even on purely commercial grounds, that the restrictions under which it is carried on, should be abolished, unless it can be proved, that they have been abused by that body in whose favour they seem to have been imposed. A qualified form of expression is employed, because the Company's privileges have really been paid for at a price far exceeding their value.—Setting aside, however, this consideration for the moment, let us inquire whether the East India Company have, by their conduct, exposed themselves to the imputation of having abused their trust.—The most obvious mode in which this might have been done was by starving the markets in Europe and in India, for the purpose of enriching, by extravagant profits, the proprietors of India Stock. It is not denied by the claimants of an open trade, that there has been at all times a sufficient stock of Indian commodities in this country to supply the home market and to meet the demand of foreign Europe. It is well known, that though the profits on imports

from India have been extremely moderate, particularly of late years, the supply has usually been much greater than the demand; of which no other proof need be given than the fact already stated, of there having been at the beginning of last July, in the Company's warehouses goods of Indian produce and manufacture, to the value of nearly three millions and a half sterling, which had already passed the sales at the India House, and for which there was no vent either at home or abroad. Indeed the mercantile and manufacturing interests (as far as one can judge from their petitions and publications) seem disposed to rest their own pretensions and their arguments against the Company, chiefly upon the enlarged outlet which a free trade to the East would open to the produce of the soil and industry of this Country. It is of importance, therefore, to investigate the grounds, and the merits of this assumption. Now with respect to the grounds, they are not only purely hypothetical, but the hypothesis is directly at variance with the deductions of a long and uniform experience. Those articles which in this Country are accounted necessities, the natives of India do not want, having cheaper and more desirable substitutes of their own; and as for our luxuries, their religion prohibits their use, or they are unable from poverty to purchase them. The East India Company have been indefatigable throughout the whole course of their commercial and political history, in their

endeavours to introduce and diffuse European commodities among the natives of India, Persia, and Arabia; and with how little success their records will abundantly attest. Similar attempts were made by the French, Dutch, and other Europeans, with no better effect. The trade of the Americans with India, which has recently excited so much jealousy, has been confined to an exchange of bullion for goods. Even the private British merchants who are already engaged in the trade, and possess all the advantages of a personal knowledge, both of the most respectable tradesmen in this Country, and of the parties abroad through whose hands their shipments are likely to pass, together with large capitals enabling them to buy at the best markets, and to sell upon long credits, have already diminished, and in some instances entirely given up the exportation of goods to India. The average prices in the Calcutta market for a well selected assortment of goods, in which there must always be a large quantity of what are called perishable articles, such as beer, hams, cheese, &c., occupying a considerable space, have seldom yielded of late years a profit of more than 45 or 50 per cent. upon the whole investment when sent by the first ships, or of more than 30 or 35 per cent. when sent later in the season. The payments in India are generally made by equal instalments, at three, six, and nine months after the delivery of the goods in merchantable condition to the purchasers. The package and other charges in

England, amounting to a considerable sum, are calculated at prime cost, and the current rupee taken at 2s. 3d.; so that if the money be wanted to purchase a home investment, the bills must be discounted at a loss of from 10 to 12 per cent. per annum; and if the goods have been sold to a house in India of doubtful credit, a further premium is paid, for discount, of $\frac{1}{2}$ or $\frac{1}{4}$ per cent. per month. The charges on sending out an investment to Bengal (which is reckoned the best market) may be thus stated:

Freight, insurance, duties, and landing,
charges in India, short delivery,
agency on the sales, remittances,
&c. 35 per cent.

Loss on calculating the payments at
2s. 3d. the current rupee, and only
prime cost on packages and charges 3

And if the proceeds are remitted in
bills of exchange at 2s. 6d. the sicca
rupee, 12 months after sight, or 18
months after date $7\frac{1}{2}$

£ $45\frac{1}{2}$ per cent.

There are other incidental charges arising occasionally from the necessity of discounting the bills, &c., against all which there is nothing to place, but the credit allowed in England, or discount for prompt

payment on laying in the goods. On some commodities the freight and charges may be less than is above stated, but on goods that occupy little room the profit is proportionally smaller, and a very inconsiderable quantity of such articles is wanted to supply the market. Were unmixed cargoes of hardware, cotton goods, or of any of the great staples of this Country sent out to India, the returns would not equal one-half of the first cost and charges. If it be asked how the Commanders and Officers of the Company's ships contrive to render such a trade profitable, it may be observed, that they have many advantages over other traders: such as a saving of freight, commission, &c., and opportunities of trading from port to port in India. Of late years, however, they have gained rather by their passengers than their trade.

In answer to the objection that the Company are *unable* to compete with their rivals in providing the home investments, we may adduce the evidence given before the Committee of the House of Commons by a respectable merchant who lived thirty years in Bengal, and shipped goods on his own account to London. "The Company, from their greater capital, and generally speaking, the better intelligence and skill of their servants, are able to carry on the trade with India with more advantage to themselves and to the country, than individuals. I presume always, that the illicit

“ practices of individuals are out of the question, and
 “ that the trade is to be fairly carried on * * * *.
 “ The Company’s goods have a character for excel-
 “ lence which the goods of private persons do not
 “ attain. This gives the Company a considerable
 “ advantage in the European market. A foreign
 “ merchant can give his correspondent in London an
 “ order to purchase the Company’s goods, with con-
 “ fidence that they will prove of the quality he
 “ desires. With respect to the goods of individuals
 “ he is at an uncertainty; he must trust to the judg-
 “ ment and attention of his correspondent, and is
 “ liable to disappointment in the quality of the goods.
 “ The Company’s goods, therefore, sell at a higher
 “ price than the goods of private persons, even
 “ though such goods may be equal in quality to the
 “ Company’s. When engaged on my own account
 “ in correspondence to this country from Bengal, I
 “ conceived the difference to be equal to fifteen per
 “ cent. on piece goods, though my goods were pro-
 “ vided with great care and attention. The com-
 “ mission which falls upon the goods of private
 “ merchants at the different places of purchase, ship-
 “ ment, and sale, except where the owner himself
 “ may reside, on the transit from the place of pro-
 “ duce in Bengal through Calcutta and London to
 “ the place of consumption abroad, by its repetition,
 “ acts with a pressing weight upon the proceeds of
 “ the goods, and abates the profit or eventually
 “ creates a loss. Some of the rates of Commission

“ were 10 per cent for procuring goods at the place
 “ of manufacture, $2\frac{1}{2}$ per cent for shipping, and
 “ $2\frac{1}{2}$ per cent on the gross sales in London.”*

When due consideration is given to the difficulties with which the East India Company have had to contend in the prosecution of their trade, to the necessarily limited demand of the natives both of India and China, for the productions, whether raw or manufactured, of this Country—to the frequent absorption, in political enterprises, of those funds which would otherwise have been appropriated to commercial investments, the competition of private trade, the rival efforts of America, a state of long-protracted warfare, the prohibitory edicts of the enemy, and to the improvement in our domestic fabrics, which has in great measure superseded the use of Indian manufactures in this Country, it is matter of surprise that their imports and exports should have attained their present level, rather than that they have not reached a higher point. The select committee of the House of Commons, in their fourth report upon the affairs of the East India Company, have drawn a comparison of the actual extent of the Company's Trade, according to the produce of their sales at home, the prime cost of the goods

* Minutes of Evidence, 18th and 20th May, 1809.

imported, and the profit thereon, with the several estimates as presented to the House previously to the passing of the act of 1790, from which it appears that,

The annual extent of the import trade, according to the sale produce, was estimated in 1793, as follows,

India	.	.	£2,314,900
China	.	.	2,673,400
<hr/>			
Total			£4,988,300
<hr/>			

The actual extent of the sale produce of goods from India, on the average of seventeen years, from 1793-4 to 1809-10 has been £2,637,746, exceeding the estimate by £322,846.

The actual sale produce of goods from China, on the average of the same seventeen years, has been £3,405,663, being more than estimated by £732,263.

The total gross produce of sales from India and China has been, on the average of those seventeen years, £6,043,409, surpassing the estimate by £1,055,109.

The extent of trade estimated in 1793, as to the prime cost of the goods imported, was

From India	.	.	£1,121,300
China	.	.	1,388,531
<hr/>			
Total			£2,509,831
<hr/>			

The prime cost of goods imported from India has been, on the average of the above seventeen years, £1,356,490, being more than estimated by £235,190.

The average prime cost of goods imported from China, in the same seventeen years, was £1,597,474, being £208,943 above the estimate.

The total average excess of the prime cost beyond the estimate, has been £444,133.

The estimated profit in 1793, upon the scale of trade immediately in prospect, was

India	.	.	£267,615
China	.	.	636,919
<hr/>			
Total			£904,534
<hr/>			

The average profits on the trade from India, during the whole period of seventeen years, was £309,561, exceeding the estimate by £345,013.

The average profits on the whole trade with India and China, has been £1,291,493, exceeding the estimate in the sum of £386,959.*

The actual prime cost of goods and stores exported by the Company to India and China, in the seventeen years commencing with 1793-4 and terminating with 1809-10, according to the same report of the Committee,† amounted to £28,237,048, giving an annual average export of £1,661,002.—Of this sum of £28,237,048, £5,883,320 was paid for stores, and £22,888,567 for goods.

The average export of seven years, 1791-2 to 1797-8, was to the value of £1,116,109.—The average on the ten following years, 1798-9 to 1807-8, was £1,877,290.—Upon this increase, however, the Committee observe,‡ that “the value of goods and stores remaining on hand in India and China, between 1804 and 1809, was to an amount very far exceeding that on the antecedent years between 1792 and 1804, and what remained on the export

* 4th Report, pages 429, 430, 431.

† Ibid. page 437.

‡ Ibid. page 438.

“ goods, on the 30th of April, 1809, amounted to
 “ more than £900,000, from which it is evident that
 “ the Indian markets have been supplied to the utmost
 “ extent of their demand, independently of consignments
 “ made by private traders. The increased residue of
 “ stores does not appear so great in proportion as that
 “ of goods, and is not liable to the same observa-
 “ tion, &c.”

The profit upon the sale of exports, calculated upon the prime cost and without reference to any charge on the consignment for freights, &c., amounted from 1792-3 to 1808-9.

To China	.	.	£266,404
India	.	.	837,940
			<hr/>
			£1,104,344*
			<hr/>

The promptness of payment on the part of the Company for manufactures, &c. exported by them, is noticed with just approbation by the Committee;† and the punctuality with which the payments have been made for the goods purchased at their sales, in which there appears to have been a deficiency of only

* 4th Report, page 436.

† Ibid. page 437.

£32,806, upon a demand of £103,386,439, is accompanied with the following remark. “ It is satisfactory to find in so extensive an amount, the deficiency so small as stated, being only $7\frac{1}{2}d.$ per Cent., which your Committee cannot but observe suggests an impression highly favourable to the management of this Branch of the Commercial concerns of the Company.”*

The Committee farther observe, that “ the total revenue drawn by the state from those two branches of Trade, during the seventeen years (from January 1793, to January 1810), has amounted to no less than £39,348,358, being on an average £2,314,609, per annum, of which £399,555, was on the Trade from India exclusively.—In the whole Seventeen years the Duties on the Trade from India, amounted to £6,792,434, being on the average £399,555, as before stated. In the Eleven years, ending January 1810, they amounted to £5,054,170, or on the average £459,470, and on the four years, ending January 1810, the average was £525,005. The produce in the next year was £457,489. It should be remarked that the Export Trade of this Country in the several years last mentioned, ~~was~~ involved in difficulties of an unprecedented nature. Your Committee have been

* 4th Report, page 425.

“ more particular in their explanations of the Duties
 “ upon the India Trade, as that from China depends
 “ much more upon home consumption; but the
 “ average produce of Duties on the latter in the Eleven
 “ years, ending January 1810, exceeded the average
 “ of the seventeen years, in the sum of ~~£525,721~~,
 “ and the sum realized in the year, ending January
 “ 1811, was more than that average by £1,788,012.
 “ The produce of Duties and Customs on the whole
 “ of the Trade from India and China in the year
 “ ending January 1811, amounting to £4,160,555,
 “ exceeded the average on the antecedent seventeen
 “ years by £1,845,946: it likewise exceeded the
 “ produce of the preceding year, by the sum of
 “ £682,397. Your Committee entertain the greater
 “ satisfaction in offering to the House, so favourable
 “ a view of the productive powers of this very im-
 “ portant branch of the Trade of the Empire in aid
 “ of its resources, from being enabled at the same
 “ time to State, that the Profit of the Company on
 “ the whole of their Trade in the year ending March
 “ 1810, was greater than in any year during the
 “ whole period, with the exception of the years
 “ 1800-1 and 1801-2.”*

Whilst the source from which these Statements
 are drawn, leaves no room for doubt respecting their

* 4th Report, page 436.

authenticity, the facts they contain are the best refutation that can be given to the calumnies which have been so industriously circulated against the Commercial management of the East India Company. For though the estimates of 1793 were framed with a view to peace both in India and Europe, and the Country since that period has been engaged in continual war in both hemispheres, the Trade has far exceeded the expectations that were formed respecting it.

To those who are desirous of taking a retrospect of the Company's Commerce, for a longer period than that comprehended in the inquiries of the Committee, the following statement, the accuracy of which may be relied on, will not be unacceptable.

		Paid for Bullion exported. per Ann.	Goods & Stores exported.* per Ann.	Bills drawn on the Court of Directors. per Ann.	Sale of Goods. per Ann.
		£.	£.	£.	£.
From 1731 to 1741	aver. of 10 years	464,574	152,609	167,410	1,700,675
1741 to 1747	6	567,238	189,411	230,914	1,907,105
1747 to 1757	10	767,057	267,730	164,482	2,143,459
1757 to 1767	10	121,287	428,707	432,891	2,315,573
1767 to 1777	10	110,042	489,081	458,768	3,313,386
1777 to 1784	7	5,653	500,089	761,425	3,134,964
1784 to 1790	5	617,930	635,145	1,551,985	4,572,466
1790 to 1793	3	466,893	935,776	668,366	5,103,094
1794 to 1800					
both inclusive	7	337,020	1,273,824	1,408,166	6,168,945
1801 to 1807	7	912,925	1,993,317	1,133,519	6,204,089
1808 to 1811	4	51,815	1,870,352	1,966,633	5,681,095

* This column of the account contains the invoice price of the Goods and

N. B. In the above account the amount received from Government for Salt-petre, is included down to 1784, and excluded afterwards.

The amount received under this head, from

1794 to 1800, average of 7 years per annum, was	£ 37,552
1801 to 1807, ditto ditto ditto	42,857
1808 to 1811, average of 4 years ditto	145,002

A particular analysis of the foregoing statement would require a minute survey of political events both in India and Europe, during the period which it embraces, and a detailed examination of their influence upon the trade. But a few observations which obviously suggest themselves upon a cursory inspection of its contents, will be sufficient for the purpose immediately in view.

In reference to the *Exports* it will be seen, that previously to the acquisition by the Company of territory in India, there was a large export of Bullion thither, and that the exports in Goods and Stores were comparatively inconsiderable, the imports both from India and China, having been at that time obtained in exchange for the precious metals.

In consequence of the Company's conquests during the war of 1756, and more remarkably still of the cession of the Dewannee in 1765, the nature of the intercourse with India underwent a great altera-

stores exported, which is 10 per Cent. added to the prime cost. In the statements of the Committee of the House of Commons, the prime cost is given.

tion, and the trade, instead of being conducted as before, on the principle of exchange, became a channel of remittance (either directly from India or circuitously through China to this Country) for the surplus revenue then existing after defraying the expenses of administration and internal government. The small quantity of Bullion exported was sent for the most part to China, and the remainder to Bencoolen, St. Helena, &c.

The exports in Goods and Stores about the same period, experienced an augmentation in some degree proportioned to the diminution in the export of Bullion, but the gradual augmentation down to this day is to be accounted for rather from the increased demand for European consumption, and the necessary supply of the governments abroad, than from the diffusion of British produce among the natives of those provinces that have devolved under our authority.

The renewed export of Bullion, from 1784 to 1790, was caused by the passing of the Commutation Act, the immediate consequence of which was an augmentation in the Company's imports of tea from China to the extent of ten millions of pounds weight annually, and for which Bullion was the principal medium of payment.

The export of Bullion from England, after declin-

ing between 1790 and 1800, was renewed to a great extent in the seven following years, owing to the wars in India, which not only absorbed the revenue of the territories, but occasioned a large accumulation of debt, which every exertion was made to reduce by this and other means.

In the four subsequent years, from 1808 to 1811, the exportation of Bullion by the Company almost entirely ceased, the commodities sent from England and India to China, having been more than sufficient to pay for their tea investments; and in the course of the last-mentioned period there has been a considerable reflux of the precious metals from Asia to Europe, which has come opportunely in aid of the treasury at home.

The Bills drawn on the Court of Directors have in part contributed to keep up the connexion between India and China, these bills having been frequently granted to individuals trading from India to China, who in return paid the proceeds of their merchandise into the Company's treasury at Canton, at fixed rates of exchange. In this way they have proved a convenient resource for the Company when the surplus revenue of their territories was absorbed by wars in India. But by far the greater proportion of those bills has been drawn in aid of the Governments abroad, and in liquidation of debts contracted by them in the prosecution of wars in India.

The large amount of Bills drawn between 1784 and 1790, and far exceeding the proportion of former periods, was occasioned chiefly by the expense incurred during the American war, in which the Company had to sustain an arduous contest with the native powers of India, assisted by the European enemies of Great Britain: a contest in which the success of the Company's exertions, tended in no small degree to support the honour and reputation of this Country, under the disasters which attended her arms in other quarters.

In the course of the seventeen years from 1793-4 to 1809-10, the Company's nett payments for Bills of exchange drawn from India and China, amounted to £23,493,054.* These Bills which have operated as a grievous burden upon the home treasury (as will be shewn more particularly afterwards) arose either out of the permission granted by the Court of Directors to their Governments abroad to draw upon them in liquidation of the Indian debt, or out of the option allowed to the Company's Indian creditors, of taking payment in England of the Interest half yearly, and of the principal when due of the loans advanced by them to the Company in India; an option of which they have availed themselves to a great extent.

The Statement shews the *Sales of Goods* to have gradually increased, from 1741 to 1807, in the ratio of 17 to 42. From 1808 to 1811, the average scale rose to 56, notwithstanding the prohibitory edicts of the enemy, a fall of prices in the home market, and the great loss of Goods in the passage from India to Europe in the course of 1808-9.

It is to be observed, however, that but an imperfect idea of the Company's commercial enterprise can be derived from the statement; because in the first place, it does not comprehend the Sums which they have received subsequently to the year 1784, for Saltpetre delivered to Government, and, 2dly, because in this and various other instances they have sacrificed their own gains to the public accommodation.

The Sum received by the Company from the Board of Ordnance, for Saltpetre, between the years 1793-4 and 1809-10, amounted to £961,941; and during the same period the Company sustained a loss, by supplying Government with this article, to the amount of £436,689. Although by the Act of the 31st George III. cap. 42, they were only bound to deliver to the Board of Ordnance, Saltpetre to the extent of 500 tons annually, at the average prices at which it was put up at their Sales, (viz. the prime cost and charges) the actual deliveries

have averaged 1,456 tons annually, and no allowance has been made them for this excess.*

The exertions and sacrifices made by the Company in encouraging the production of Indigo, Raw Silk, and Sunn Hemp, in their Indian territories, whilst they reflect credit upon their enterprise, have established in their favour an undoubted claim upon the gratitude of this Country.

In the early period of the Company's intercourse with Asia, *Indigo* constituted an important part of their home investments, but in order to avoid competition with the British Colonists in the West Indies, and the Southern States of North America, they afterwards discontinued the importation of that article. The cultivation of Indigo in the West Indies, having been relinquished about the middle of last century, in consequence of a heavy duty then imposed upon it, the trade fell into the hands of foreign nations, till the year 1779, when the Company directed their endeavours to renew its cultivation in their Indian territories, and in the course of a few years expended about £80,000, in the prosecution of that object. Having applied this powerful stimulus to its cultivation, the Company not only resigned the

* 4th Report, page 431.

trade to their own civil servants, and to the free merchants, who with their permission had settled in India, but supported them under the difficulties in which they were subsequently involved, by pecuniary advances to the extent of near a million sterling upon the security of their produce:* so that under the Company's fostering care, the value of the Indigo disposed of at the home Sales, has of late years considerably exceeded a million sterling annually, exclusive of large quantities that have been exported from India in the Country trade, and by American, Arabian, and other vessels.

Previously to the year 1776 the British manufacturers drew their supply of *raw silk* almost entirely from the southern countries of Europe. The soil and climate of Bengal being exceedingly well adapted to the cultivation of the Mulberry-tree, and to the rearing of the silk-worm, the Company have been unceasing in their exertions for the last thirty-six years, to render the British silk weavers independent of foreign nations for a supply of the raw material of their manufacture. Although for the ten years from 1776 to 1785, the Company sustained a loss of £884,744.† upon their silk sales, they steadily

* M'Pherson's History of the European Commerce with India, page 200.

† Ibid. page 223.

persevered under many difficulties in continuing and extending this important branch of commerce. The natives of India have been instructed in the Italian method of winding the silk, and the people occupied in the throw-mills of this Country have been employed by the Company in organizing it. Notwithstanding the vast increase in the cotton manufacture, which has greatly reduced the demand for silk, and the opposition of those concerned in importing organized silk from the continent of Europe, there is now a regular importation from India of silk in its raw state, to the value of £600,000 annually :* and the supply may be carried to any extent, provided that the Company are duly protected against a preference to the produce of Italy and France.

If Great Britain still remains to a certain degree dependent upon foreign Europe for a supply of *hemp*, it is not owing to any remissness on the part of the East India Company to render available one of the most useful productions of their Indian territories as a substitute. In the year 1796 the Company commenced the importation of Sunn hemp, which grows in vast abundance in the Island of Salsette and in several districts of Bengal. They at first sold it without any view to gain, and even gave it away

* Appendix to 4th Report of the Committee of the House of Commons, No. 24.

to the rope-makers in this Country for the purpose of inducing them to make experiments of its strength and durability in different sorts of cordage. The result of those experiments was favourable upon the whole, for though it is rather inferior to Russia hemp, in the formation of small ship-tackling, it has been found better adapted to the manufacture of cables and large ropes, which occasion the principal consumption of hemp. In consequence of the differences between England and Russia which took place in 1800, the price of Russia hemp, which in 1792 had been sold at £23. 10s. having risen in 1803 to £61 per ton, His Majesty's Ministers urged the Court of Directors to promote the cultivation and importation of Sunn for the supply of the navy. Immediate instructions were accordingly dispatched by the Court to the Bengal Government to spare neither trouble nor expense in procuring an ample supply of an article from which great public benefit was likely to be derived; and hemp-dressers were at the same time sent out to India to teach the natives the best method of preparing it. But before the cargoes arrived an unexpected fluctuation in the politics of Europe had removed the obstruction to the acquisition of Russia hemp, and the Sunn was disposed of by the Company at a loss of £45,000. In 1807 the Directors proposed to Government to import for the use of the navy, and to deliver into His Majesty's storehouses, *without a profit*, as much Sunn as might be required, and the offer having

been accepted, the importation has been continued upon this footing ever since. Another change in the political relations of Europe has again, in the course of the present year, opened the ports of Russia to the commerce of this Country, and a quantity of hemp is stated to have been already received from thence sufficient for two years' consumption. It is obvious that under such vicissitudes, added to the prejudices which oppose the introduction of every new article into general use, no discovery, however valuable in itself, can be productive of the same advantages which in different circumstances might be derived from it. The resource, however, is in existence;—the East India Company have shewn both alacrity and disinterestedness in exploring it and rendering it accessible;—and it now depends not upon them, but on the Government of this Country, whether its powers shall be stunted or developed to the utmost extent of their capacity.

Respecting the article of *cotton-wool*, which has sometimes been made a subject of charge against the Company, it is only necessary to observe, that as it is one of the staple productions of India, its cultivation requires no *special* encouragement. It is the raw material of one of the principal manufactures of that country, and has (particularly of late years) been exported thence in large quantities to China. The Company have also occasionally imported it into this Country, and have uniformly granted every

facility to its importation on account of private merchants. It has been found, however, that from the length of the voyage and the high rate of freight payable in time of war, East India cotton cannot support a competition in the London market with that produced in the West Indies, Brazil, and North America. Yet Factories have been established by the Company, both in the upper part of India and in the province of Guzerat, for the purpose of ensuring a regular supply of this article in a clean state (for when it is brought home unpicked, it cannot possibly bear the charge of cleaning in this Country, superadded to the expense of freight), and should the war with America be unhappily prolonged, no disappointment is likely to occur for the future in obtaining a supply sufficient to answer all the demands of the British manufacturer.* But nothing can be more unreasonable than at once to compel the East India Company to admit the private merchants into a share of their trade, and at the

* To enable East India cotton to maintain a competition with that produced in Brazil or the United States, it is absolutely necessary that the duties should be levied *ad valorem*, instead of being levied as at present upon the weight. The former sells at from eight-pence to one shilling a pound, whereas the latter brings from eighteen-pence to two shillings, and the existing rate of duty is common to both ; a circumstance which of itself establishes a preference in favour of a foreign article, to the discouragement of the produce of our own territories.

same time to dictate to the Company (as has been too often attempted) what goods they are to import and export. If the Company have in time past committed any fault in the conduct of their trade, it has been in too frequently deviating from the sound commercial maxim of dealing only in those goods on which a profit can be realized. In these deviations they have been actuated by a desire to benefit the State and to accommodate their fellow-subjects; but the boons which they have thus conferred, instead of being thankfully accepted, have in various instances been turned against them, either as weapons of attack or as means of extorting farther sacrifices.

Had the Proprietors of East India Stock received immoderate profits upon the capital they embarked in the trade, it might be urged, at least with plausibility, that the nation at large have a just claim to a participation in the gain; and that though, like other patentees, the Company might be entitled, at the out-set, to a fair reward for their skill and enterprise, the period for which the Patent was granted being nearly elapsed, it ought now, upon the common principle by which the dispensation of similar privileges is limited, to be suffered to expire. But the truth is, that in the present instance the Patentees have been uniformly the losers, and the Public the gainers; for the Patent was not, as in other cases, free and unqualified, but has been, in fact, (whatever may have been the intention of the

donors,) clogged with conditions which have rendered it rather an onerous obligation than a beneficial license to the holders. This can hardly admit of doubt, when it is recollected that the India Stockholders have hitherto received little more than common interest for their money in a trade combining great political, with the most hazardous commercial risks. Mismanagement, indeed, on the part of the Court of Directors, is called in by the adversaries of the Company, according to their varying objects, for the purpose of solving this and many other problems. Supineness, carelessness, and extravagance, are represented as vices inseparable from all Joint-stock Associations, and, therefore, the East India Company, because it answers this description, by an awkward attempt at syllogistic reasoning, is pronounced slothful, negligent, and prodigal. "Every man thinks, Peter is a man, and therefore "Peter thinks!"—granted; but though an ass be an animal, and man may likewise be so denominated, it does not follow, by any law, either of nature or of logic, that Peter is the beast of burden so remarkable for sluggishness and long ears.

Can Syllogism set things right?

No; Majors soon with Minors fight,

Or both in friendly consort joined

The consequence limps far behind.

It is difficult to conceive why the Proprietors of East India stock should be more indifferent to their

own interests, or less capable of discerning when their affairs are well or ill-managed, than any other body of men. The election of Directors takes place annually, and a meeting of Proprietors is held quarterly, to deliberate upon the general state of the affairs, and upon the conduct of their Representatives. The accounts of the Company's revenue and disbursements, and of their commercial receipts, charges, and payments, are regularly submitted to Parliament every year; and notwithstanding all these checks and the opportunities afforded by such publicity of proceedings for discovering misconduct on the part of the Directors, their management stands unimpeached, either by their immediate Constituents, or by the Legislature. Until the evidence of facts, therefore, is exploded, as unsatisfactory or obsolete, and inferences founded upon random assumption are sustained as a rule of judgment, the Company may surely be permitted to oppose their conduct (open as it is to investigation) to the unsubstantiated allegations of their adversaries. And if no instance of misconduct can be proved against the Company, all the arguments and claims that have been founded on supposed abuses, must necessarily fall to the ground; in as much as *de non apparentibus et de non existentibus eadem est ratio*. or in other words, as evidence not produced is the same as no evidence at all.

It being less the object of the Author of these remarks however to vindicate the East India Company

against the imputations cast upon them by their adversaries, than to contribute to the general information, upon a question of great public importance, and to put the Legislature on its guard against a decision, which, though it may gratify the prejudices will be permanently injurious to the interests of the nation; it is material, with a view to this object, to consider the consequences which cannot fail to ensue, both to the Company and to the speculators who are likely to embark in the trade with India in the event of its being laid open.

The great objection to the argument employed by Lord Melville, in his Letter to the Chairman and Deputy, of the 21st March, 1812, (as quoted in page 31), is that the trade with India is *necessarily limited*, and that whether it be carried on by the Company, or by individuals, it never can be pushed beyond the demand which exists in India for European productions, and in Europe for the produce and manufactures of India. This demand is now amply supplied by the Company, and no individual exertions can greatly extend it. If a given capital be sufficient to carry on a certain branch of trade, it is obvious that any accession of capital is unnecessary, and therefore would be misapplied: and if the profits yielded by the same branch of trade, under judicious management, are barely adequate to pay the trouble and risk of the actual adventurers, it is equally indisputable

that the only effect of additional competition will be to glut the markets, and ruin the competitors.

To those who have perused the Printed Evidence given towards the close of the last Session of Parliament, before a Committee of the whole House of Commons, on the Orders in Council, it must be apparent, that the speculations which were undertaken to different parts of South America, ignorantly and unwarrantably, no doubt, but naturally enough, at a period of great commercial stagnation, were the cause of distress and bankruptcy to numbers of our merchants and manufacturers. In the evidence of the Chairman of the Chamber of Foreign Commerce, at Birmingham, these speculations are represented to have been the effect not merely of rashness, but of absolute insanity; and well they might, if the passage extracted in a note below from an interesting work lately published by an intelligent observer, contains a correct account of the mode in which they were conducted.*

* "It may not be improper in this place to describe the consequences produced in Rio de Janeiro, by the excessive commercial speculations into which our merchants entered, immediately after the emigration of the Court of Portugal, and which could only be equalled by those which followed our expeditions to the Rio de la Plata.

The author of the curious narrative, was an eye-witness of what he relates, nor does there seem to be any reason for doubting his veracity. The delusion

“ Owing to the incredible competition, or struggle among our
 “ merchants, who should send most ships and cargoes to a country
 “ whose civilized population, exclusive of slaves, does not exceed eight
 “ hundred thousand souls, (one-third at least of whom may be said to
 “ make use only of what the land produces), it is natural to suppose,
 “ that the market would be almost instantly overstocked. So great
 “ and so unexpected was the influx of English manufactures into
 “ Rio de Janeiro, within a few days after the arrival of the Prince,
 “ that the rent of houses to put them into, became enormously dear.
 “ The bay was covered with ships, and the custom-house soon
 “ overflowed with goods, even salt, casks of ironmongery and nails,
 “ salt fish, hogsheads of cheese, hats, together with an immense
 “ quantity of crates and hogsheads of earthen and glass ware, cordage,
 “ bottled and barrelled porter, paints, gums, resin, tar, &c. were ex-
 “ posed not only to the sun and rain, but to general depre-
 “ dation. The inhabitants of Rio de Janeiro, and more particu-
 “ larly some of the Creolians and strangers from the interior, thought
 “ that these goods were placed there for their benefit, and extolled the
 “ goodness and generosity of the English who strewed the beach to a
 “ great extent with articles for which their own countrymen had here-
 “ tofore charged them such high prices. It is true, that the gentlemen
 “ intrusted with these valuable consignments, did apply for sentinels
 “ to be placed to guard the articles thus exposed, and their request
 “ was immediately complied with. The result was such as might
 “ easily have been anticipated from such watchmen, many of whom
 “ did not fail to profit largely by the appointment. In the course of
 “ several weeks the beach began to assume a less crowded appear-
 “ ance; some few of the goods were taken to the residence of their
 “ owners, others were removed; but to what place, or by whom,
 “ there was no way of ascertaining; and a very great proportion

now existing throughout the Kingdom, founded on the advantages anticipated from a free trade with Asia, is, if possible, still more gross and prevalent

“ was sold at the Custom-house *for the benefit of the Underwriters.*—
 “ This stratagem so frequently practised (and certainly deserving
 “ of the severest reprehension), afterwards operated as a very serious
 “ injury to the regular sale of articles; for as the market was so
 “ overstocked, scarcely any one would offer money for goods, except at the Custom-house sales. As the depreciation continued,
 “ numberless packages were there exposed for sale, in part damaged,
 “ or apparently so. Indeed little more than the mark of a cord on
 “ the outside of a single article, or a corner discoloured in a package, however large, was a sufficient pretext for presuming and
 “ pronouncing the whole to be damaged. By means of this sentence so easily obtained, great quantities of goods were brought to
 “ the hammer in the Custom-house warehouses, under every disadvantage; thus the owners recovered the amount insured for, and
 “ the insurers lost the difference between that sum and the price they were sold at, also the attendant expenses. Many of the
 “ Underwriters will, no doubt, retain a lasting remembrance of the
 “ sales which took place at Rio de Janeiro, and other parts of South
 “ America *for their benefit!*

“ To the serious losses thus occasioned by an overstocked market,
 “ and by the sacrifice of goods at whatever prices could be obtained,
 “ may be added another, which originated in the ignorance of
 “ many persons who sent out articles to a considerable amount, not
 “ at all suited to the country: one speculator, of wonderful foresight, sent large invoices of cravats for ladies, who never heard of
 “ such armour; another sent skates for the use of a people who are
 “ totally uninformed that water can become ice; a third sent out a
 “ considerable assortment of the most elegant coffin furniture, not
 “ knowing that coffins are never used by the Brazilians, or in the
 “ Plata. To these absurd speculations may be added numerous

than that which obtained some years ago, regarding the expected outlet for British commodities in La Plata and Rio de Janeiro; and if the new Par-

“ others, particularly in articles of taste; elegant services of cut-
 “ glass were little appreciated by men accustomed to drink out of a
 “ horn or a cocoa-nut shell; and brilliant chandeliers were still less
 “ valued in a country where only lamps that afforded a gloomy light
 “ were used. Superfine woollen cloths were equally ill-suited to the
 “ market; no one thought them sufficiently strong. An immense
 “ quantity of high priced saddles, and thousands of whips were sent
 “ out to a people as incapable of adopting them as they were of
 “ knowing their convenience. They were astonished to see English-
 “ men ride on such saddles, nor could they imagine any thing more
 “ insecure. Of the bridles scarcely any use could be made, as the
 “ bit was not calculated to keep the mule in subordination: these
 “ articles were of course sacrificed. Great quantities of the nails
 “ and ironmongery were useless, as they were not calculated for the
 “ general purposes of the people. Large cargoes of Manchester
 “ goods were sent out, and in a few months more arrived than had
 “ been consumed in the course of twenty years preceding. No dis-
 “ crimination was used in the assortment of these articles, with re-
 “ spect either to quality or fineness, so that common prints were dis-
 “ posed of at less than a shilling a yard, and frequently in barter.
 “ Fish from Newfoundland met with a similar fate: also porter,
 “ large quantities of which, in barrels, arrived among a people of
 “ whom only a few had tasted that article as a luxury. How the
 “ shippers in London, and other British ports, could imagine that
 “ porter would at once become a general beverage, it is difficult to
 “ conceive, especially when sent in barrels. These cargoes being
 “ unsaleable, were of course warehoused, and of course spoiled.—
 “ Newfoundland fish, that was generally sold at from twelve to
 “ twenty dollars per quintal, was now unsaleable at four, and in
 “ many instances did not pay warehouse-room. Earthenware was

liament have not wisdom, as well as firmness enough to resist the popular clamour, all the difficulties under which the country at present labours, will sink into

“ perhaps rather more favourably received than many of the former
 “ articles, for plates, &c. soon came into general use. Having enu-
 “ merated various commodities which suffered a general deprecia-
 “ tion, it may be sufficient to add, that many invoices of fancy
 “ goods, and such as do not constitute a staple trade, were sold at
 “ from sixty to seventy per cent. under costs and charges, and others
 “ were totally lost. * * * * What must have been the delusions of
 “ those traders who sent out tools, formed with a hatchet on one
 “ side, and a hammer on the other, for the convenience of breaking
 “ the rocks, and cutting the precious metals from them, as if they
 “ imagined that a man had only to go into the mountains and cut
 “ as much gold as would pay for the articles he wanted !

“ Other evils resulted from these excessive and ill-judged specula-
 “ tions to South America, which might naturally have been antici-
 “ pated. The first was, that the produce was bought up with such
 “ avidity, that many articles were soon double their ordinary value,
 “ and continued to rise as our manufactures lowered. But this
 “ was not all : the purchasers suffered equally from their ignorance
 “ of the articles, as from their eagerness in purchasing them. For
 “ instance, any kind of sebaceous matter was greedily bought for
 “ tallow ; and numberless hides spoiled in the drying, and eaten by
 “ the grub, met with ready sale. Little attention was paid to the
 “ state they were in ; and thus it frequently happened, that lots and
 “ cargoes of those articles, instead of reimbursing the adventurer, to
 “ whom they were consigned, scarcely paid freight and charges.
 “ This was also the case with coffee and other staple articles. Many
 “ gentlemen more knowing than others, sent home lots of curious
 “ wood, and even entered into the illicit trade of shipping the dye-
 “ wood, which generally proved very disadvantageous, as the wood

utter insignificance, before the calamities that must result from blind and headlong compliance with the petitions which loaded the tables of its predecessor.

“ of that species, grown in the vicinity of Rio de Janeiro, is very inferior in quality to that of Pernambuco from whence that trade is allowed by contract. The folly of speculation did not stop here ; precious stones appeared to offer the most abundant source of riches ; the general calculation was made upon the price at which they sold in London : but every trader bought them more or less, at the price at which they were offered : invoices of goods were bartered for some, which in London would sell for comparatively a trifle, as they were taken without discrimination as to quality or perfection : tourmalines were sold for emeralds ; crystals for topazes ; and both common stones and vitreous paste have been bought as diamonds, to a considerable amount. Both gold and diamonds were well known to be produced in Brazil ; and their being by law contraband, was a sufficient temptation to eager speculators, who had never seen either before in their native state.— False diamonds were weighed with scrupulousness, and bought with avidity, to sell by the rules stated by Jefferies. Gold dust, as it is commonly called, appeared in no inconsiderable quantity, and after being weighed with equal exactness, was bought or bartered for. But previous to this, many samples underwent the following easy and ingenious process :—The brass pans purchased of the English, were filed and mixed with the gold, in the proportion of from five to ten per cent. according to the opinion which the seller had of the sagacity of the person with whom he had to deal : and thus by a simple contrivance, some of our countrymen re-purchased at three or four guineas per ounce the very article which they had before sold at 2s. 6d. per pound.”

After adverting to the utter incapacity, from a variety of causes, of the mercantile agents, who were sent out to Brazil successfully

The hopes entertained at the period of the repeal of the Orders in Council, of a speedy adjustment of our differences with the United States, and of the revival of our accustomed trade with them, have been unfortunately frustrated by the

to conduct the affairs of their constituents, to the disputes which arose between them and the natives, and to the disappointments of the manufacturers in this country, from the failure of remittances, which brought many of them into the Gazette, and obliged others to change their consignees, with no other effect than a renewal of disappointment ; Mr. Mawe observes :—

“ Had it been possible to bring the whole trade to Brazil, under one interest, many of those fatal consequences might have been prevented. It should have been under the direction and control of experienced merchants, who would have sent out such articles as were known to be wanted, and whose agents would have been actively employed in obtaining intelligence respecting the population of the country, its produce and consumption, particularly in goods of English manufacture. Interest would naturally prompt them to order and buy all that the country required, and return to this country those articles which were most likely to answer the general demand.

“ If the trade had been properly conducted, we should have received for a fifth of the produce which has been sold, the same amount which has been paid for the whole, and it is certain, that the purchasers would have been better satisfied ; for to vend goods at a reasonable price, is the certain way to keep the demand steady, but to force them upon the consumer, whether he wants them or not, is to render what was once a luxury, so common as to become contemptible.” *Travels into the Interior of Brazil, by John Mawe. London, 1812, pages 324 and 332.*

subsequent intervention of declared hostility. This event will probably increase the eagerness of the mercantile and manufacturing classes to seek indemnity for their disappointment in what they deem the rich and unexplored countries of the East. They will discover, however, when it is too late, that Nature has abundantly provided for all the real necessities of their inhabitants; that religion either prevents the growth, or prohibits the gratification of artificial wants, and that a singular structure of society, which neither the lapse of time, nor the revolutions attendant upon conquest, have been able to disturb, interposes insuperable obstacles to that species of expensive consumption and gainful intercourse which usually follow upon the diffusion of wealth in other parts of the world. They will find that the natives of India are not inferior in cunning, and all the arts of imposition to those of Brazil, and that the agents whom they may send out to superintend their sales and purchases, will have infinitely greater difficulties to encounter than they had in South America, from their ignorance of the languages and manners of the people. They will soon begin to feel the same effects from having their capitals locked up in India, or vested in unsaleable commodities in this Country, which have been felt by those who speculated to Buenos Ayres, and inundated Gottenburgh, Heligoland, and Malta, with West Indian produce, for which no demand was to be found. And after acquiring a little wisdom by dear-

bought experience, they will perhaps acknowledge with Mr. Mawe, that it would have been better to leave the trade, as it is now carried on, to a Company of experienced merchants, who from an accurate acquaintance with the state of the markets, accommodate their transactions to the general consumption, than to turn it into a channel in which, through presumption, folly, and ignorance, it is likely to overwhelm the adventurers with a loss of four hundred per cent.

True it is, that this evil, like many others, has a tendency to correct itself in process of time. But is the intermediate ruin of a multitude of individuals, and the general waste of capital which it must occasion, matter of no concern or anxiety? Is a total derangement of a valuable branch of commerce so slight a mischief that it is not worth the pains of avoiding? Is every thing that has been gained by the skill and enterprise of the East India Company to be wantonly put to hazard in order to indulge a taste for extravagant speculation? And is the Company itself, when if not in the zenith of its prosperity at least in a train of extrication from its difficulties, after all that it has suffered and achieved, to be sacrificed to unmeaning clamour, the authors of which would be the first victims to the success of their own claims? It is incredible, even in this infatuated age, that a Legislature, not more famed for vigour than for prudence of counsel, can be smitten with

such a degree of infatuation as to countenance, much more to sanction, a scheme so short-sighted and disastrous.

Reverting to the charges which are brought against the Company under the general head of abuses, it has been alleged both in and out of Parliament, 1st. that the Company have not fulfilled the agreement they made with the public in 1793, in virtue of which the public became entitled to a certain portion of the contingent profits derivable from their revenue and commerce, and on that account have forfeited all claim on the protection of the Legislature; 2dly. that their territorial revenues have been absorbed by a wasteful and losing trade; 3dly. that their frequent applications to Parliament of late years, whilst they furnish strong presumptive evidence of mismanagement have caused a serious addition to the burdens of the Country; and 4thly. that the Company is actually bankrupt, and ought to share the fate of other insolvent debtors.

The first objection, that the Company have failed in discharging the obligation imposed upon them by the act of 1793, of paying £500,000 annually to Government out of their profits, is founded upon an entire misconception or rather misrepresentation of the statute. Upon this subject, the Select Committee of the House of Commons in their Fourth Report

have furnished satisfactory explanations, which shall be given in their own words.

“ The sums stated to have been paid to Govern-
 “ ment in the years 1793-4 and 1794-5, amounting to
 “ £500,000, were two half-yearly payments, as pre-
 “ scribed by the act of 33d of the King, Cap. 52.
 “ Sect. 127. These payments standing alone, have
 “ led your Committee to inquire why the directions
 “ of the act have not been carried into effect in more
 “ instances.”*

The following is the result of the Committee's inquiries.

“ This stipulation was founded on an agreement
 “ between His Majesty's Government and the East
 “ India Company, that the public were eventually
 “ entitled to a certain portion of the profits ac-
 “ cruing to the Company from the prosperity
 “ of their revenue and commerce. According
 “ to the mode of calculation laid down in the
 “ act, this conditional participation should ac-
 “ crue only from the following sources, viz. from
 “ the surplus remaining of the nett proceeds of the
 “ sales of goods at home, from the duties and allow-

* 4th Report, page 439.

“ances arising by private trade, and from all other
 “profits of the Company in Great Britain, after pro-
 “viding for the payment of bills of exchange already
 “accepted ; for the current payment of other debts,
 “interest, and other outgoings, charges, and ex-
 “penses (the bond debt computed in another part
 “of the clause at £1,500,000 always excepted) ; for
 “a dividend on the capital stock at 10 per cent. per
 “annum, increased to $10\frac{1}{2}$; and lastly, for bills of
 “exchange in liquidation of the debt contracted in
 “India, to the extent of £500,000 per annum.
 “Provision having been made for these several pay-
 “ments, the annual sum payable to the public in the
 “way of participation, was fixed at £500,000, to
 “be set apart half-yearly, on the 1st July and the
 “1st January in each year, beginning with July,
 “1793. Provisions were likewise made in the act
 “to ensure punctuality in the payment of these sums
 “into His Majesty’s Exchequer ; but it was enacted,
 “that in the event of a deficiency in the amount of
 “the proceeds (after making the payments to which
 “precedence was given) arising from extraordinary
 “expenses incurred in time of war or preparations
 “for war, or from circumstances incidental to war,
 “that the deficiency or deficiencies were not to be
 “made good from the surplus of the future year or
 “years, but were to be deemed a debt to be made
 “good to the public at the determination of the ex-
 “clusive trade of the Company, in case their general
 “assets should be more than sufficient for the pay-

“ ment of all their just debts, and for making good
 “ the value of the capital stock, rated at £200 for
 “ every £100 of such stock.

“ The payments shewn in the years 1793-4 and
 “ 1794-5, from having been made when a deficiency
 “ of funds for the purpose, according to the prin-
 “ ciple of participation laid down, is fully apparent,
 “ your Committee think it right to state to the
 “ House, that a reference to the 124th section will
 “ furnish an explanation of the transaction, by
 “ shewing that the payment was specifically directed
 “ to take place antecedent to the addition of the $\frac{1}{2}$
 “ per cent to the dividends of the capital stock, and
 “ that it must be considered to have been made from
 “ the balance of cash in the hands of the Com-
 “ pany, distinct from their nett proceeds of the
 “ year.

“ As to the sources from which the participation
 “ of the public was to be derived, namely the surplus
 “ proceeds, &c. as described in the beginning of the
 “ section, your Committee cannot avoid reverting
 “ to the estimates on which this arrangement was
 “ evidently founded, and again remarking, that the
 “ supply of a million annually from the surplus re-
 “ venue in India, as directed in the 107th section,
 “ must have been assumed as the basis of the expecta-
 “ tions then held out to the public, because it seems
 “ clear that the surplus proceeds in contemplation by

“ the 111th section of the enactment, were in reality
 “ the combined profit derived from revenue and
 “ commerce. And this conclusion is farther sup-
 “ ported by provision being made for failure of pay-
 “ ment in the event of a deficiency of surplus pro-
 “ ceeds, happening from war. As the deficiency
 “ which has, in fact, existed from the time of passing
 “ the act, is to be ascribed to the wars in India and
 “ Europe, no farther payment has been made to the
 “ public under the directions of the act, but your
 “ Committee observing that in some years a surplus
 “ of funds is shewn in the account, notwithstanding
 “ the war (after making the payments for dividends,
 “ and on bills of exchange for Indian debt) have
 “ thought it necessary to ascertain and to state to
 “ the House, the causes why payment was not made
 “ on the participation of such years.

“ The payments stipulated by the act, consider-
 “ ably exceeded the funds in the first year from
 “ which such payments were to be made, conse-
 “ quently recourse was had to funds that could on no
 “ consideration be looked upon as profit, the only
 “ source from which the proceeds described could be
 “ derived. The excess of payment thus made, was
 “ supplied by moneys raised by the Company, either
 “ on new capital or on bond, in excess of the
 “ £1,500,000, to which that debt was then limited,
 “ and became a debt payable from the nett proceeds,
 “ taking priority of the public claim to participation.

“ The deficiency of funds for the liquidation of this
 “ claim is shewn by an account inserted in the ap-
 “ pendix.

“ From a variety of circumstances, therefore, but
 “ chiefly from those consequent upon war, the nett
 “ proceeds of the Company’s treasury in Great Bri-
 “ tain, have not been sufficient for the payment of
 “ the participation to the public according to the
 “ act, and with the exception of the sum of
 “ £500,000, paid in the manner above described, the
 “ whole has fallen in arrear, and become a debt due
 “ by the Company under the 122d section, subject,
 “ however, to the reservation contained in the act as
 “ to the liquidation of it, that is *in the event only of*
 “ *the Company’s general assets amounting in value to*
 “ *more than sufficient for the payment of all their just*
 “ *debts, and the realization of their capital stock.*”*

The second objection, that the territorial revenues of the Company have been absorbed by a wasteful and losing trade, is a favourite one with two descriptions of persons—the advocates of the political system which was acted upon in India during the administration of Marquis Wellesley, and the petitioners for a free trade. The former contend that all the expense incurred in wars, or consequent upon other

* 4th Report, page 448.

measures terminating in the aggrandizement of the British empire in India, has been much more than compensated by the revenue derivable from the conquered and ceded territories. The latter maintain that they can carry on the trade to much greater advantage than the Company; and, espousing the foregoing doctrine as convenient for their purposes, they likewise assert, that by exonerating the Company from a commerce unprofitable and ruinous as it is now conducted, and by leaving their attention exclusively directed to the administration of their territorial revenues, the surest foundation would be laid for the future prosperity of the Company.

It is altogether foreign to the intention of the writer to enter into political controversy. Lord Wellesley's system may deserve every panegyric which his warmest eulogists have ever passed upon it; and in some respects too much cannot be said in its praise. But those who argue as if the tendency and operation of his system had been defeated by the commercial mismanagement of the Company, however they may affect to extol, are, in truth, the greatest disparagers of that distinguished statesman.

The objection, with whatever view it has been brought forward, is effectually repelled by the reports of the select Committee of the House of Commons

and by other authentic documents. The Committee have stated in their 2d Report, that on a comparison with the estimates in 1793, the result of the actual accounts of the revenues and charges of India in 1808-9, was more unfavourable than the estimate, in the sum of £1,189,619, the estimate having calculated on a surplus revenue of £1,163,577, and the actual accounts of 1808-9, having exhibited a deficiency of £26,042. The difference is stated in a general way to have arisen as follows.

	Estimate 1793.	Actual Ac- counts, 1808-9.	Increase.
	£.	£.	£.
Revenues	6,962,635	15,525,055	8,561,430
Charges of Government .	5,188,125	13,151,224	7,963,099
Nett Revenue	1,775,500	2,373,831	598,331
Supplies to Bencoolen and } Penang, &c. }	50,000	158,208	108,208
Interest on the Debts. .	561,923	2,241,665	1,679,742
Total	611,923	2,399,873	1,788,950
Surplus Revenue	1,163,577		
Surplus Charge		26,042	
Deterioration as shewn above			£1,189,619

“ From this view it is ascertained that, although
 “ the revenues have increased in the sum of
 “ £8,561,430, the increase in the charges of

“ Government has been such as to absorb the whole
 “ except £598,331, and that the additional supplies
 “ to Bencoolen, &c., but, by far in the highest de-
 “ gree, the increase of the interest on the debts, have
 “ contributed to prevent the exhibition of a surplus
 “ revenue, as by the estimate of the year 1793.”*

The disproportionate increase of charges, is imputed by the Committee, to additional naval and military establishments, required in consequence of the new acquisitions of territory, and likewise to stipends and payments to the native princes of India in fulfilment of treaties concluded between them and the Company.

To an exposition of the state of the Company's finances at home and abroad, submitted to the select Committee of the House of Commons, on the 1st of April, 1808, by the Court of Directors, an account was annexed, shewing the amount of the Indian revenues and charges, and of the surplus or deficit of the former, from 1793-4 to 1807-8 inclusive, together with the state of the Indian debt through the same space of time. From this account the following extract is made in the document referred to, for the purpose of illustrating the position, that though the revenues of India have greatly increased, the expenditure has risen in a still greater degree. For

* 2d Report, page 62.

in 1793, when the revenue was only eight millions per annum, there was a surplus of £1,600,000; while in 1807-8, the second year of peace, when the income had advanced to fifteen millions a year, there was a deficiency of £1,019,097.

	Revenues.	Charges.	Interest.	Surplus.	Deficit.	Amount of Debt.
	£.	£.	£.	£.	£.	£.
1793-4, First Year of the Company's new Charter	8,276,770	6,066,923	526,205	1,683,642	- -	April, 1793, 7,971,668
1798-9 - - - -	8,652,032	8,417,812	750,326	- -	525,106	Do. 1798, 7,446,588
1802-3 - - - -	13,464,537	11,043,106	1,577,922	843,507	- -	Do. 1799, 6,196,531
1805-6 - - - -	15,217,516	15,561,330	2,070,792	- -	2,414,606	Do. 1803, 19,623,737
1807-8, per estimate	14,614,261	15,436,198	2,197,160	- -	1,019,097	Do. 1806, 28,638,804
						Do. 1808, 31,896,000

“ The commercial charges and supplies to Bencoolen, &c. are not here included. The charges are the amount *paid* in the respective years, as stated in the Budget Accounts.

“ What is most obvious and striking in this statement, is the increase, not of the charges only, but also of the debt, as the revenues increased, and not merely in proportion to the increase of the revenues, for, whilst from the year 1793-4, to the year 1805-6, the amount of the revenues has not been quite doubled, that of the charges has been increased as five to two, and that of the debt nearly quadrupled, besides a very large sum of debt transferred in the course of that period to England. The greatest increase under all these heads, has been since the years 1798-9. The first foundation

“ of the debt was laid by the Mahratta war of 1778.
 “ The accumulation of that debt and of charges, may
 “ in most part be accounted for by the foreign expe-
 “ ditions undertaken from India at the desire of His
 “ Majesty’s Ministers, the two wars of Mysore, the
 “ two wars of 1803-4 and 5 with the Mahratta chiefs,
 “ and the permanent increase of military establish-
 “ ments occasioned by these events, and other political
 “ measures of the same period.”*

!

The select Committee of the House of Commons, for the express purpose of ascertaining whether ~~any~~ part of the unfavourable balance now existing against the Company upon the whole concern, is attributable to losses upon their trade with India, have endeavoured, as far as was practicable, in their third report, to separate the political from the commercial part of the Company’s affairs, by drawing out an adjusted account, exhibiting on one side the supplies by India to England, and on the other, the supplies from England to India, between the year 1792-3 and the year 1808-9, and thus striking the balance between the two. The following abstract of this account is given at the conclusion of the third report.†

* Exposition of the State of the Company’s Finances at Home and Abroad, ordered by the House of Commons to be printed, 22d May, 1810, page 6.

† Page 373.

Supply by India to England.

	£.	£.
Investments of goods	25,407,099	
Sundry advances for Bills, &c. re- payable in England	2,329,236	
	27,736,335	
Commercial Charges not added to the Invoices	2,916,279	
Nett Amount of Supply to Canton	3,313,654	33,966,268
Advances and Charges in India, admitted as Claims upon the Public, and paid in England by His Majesty's Government		8,212,372
Total supply by India to England		42,178,640

Supply from England to India.

In Goods and Stores—the total amount of the Consignments as credited in the Indian Books	£. 11,554,218
In Bullion, as Do.	7,360,752
By Bills of Exchange	14,746,038
Sundry Receipts for which England is credited	393,372
Total credited to England in the Indian Books	34,054,380
Add Disbursements of His Ma- jesty's Paymasters Gene- ral on account of regi- ments serving in India, 1793 to 1807	£. 2,638,988
Victualling Office Demands	80,024
Interest allowed on repay- ments by Government	841,900
	3,560,912
Charges paid in England, supposed to be territorial	6,193,049
	9,753,961

Total return by England to India 43,808,341

From which, deducting the supply by India,
stated above, the balance will appear in favour
of England, in the sum of £1,629,701

which is the amount in which, upon the principles now acted upon,
the Political may be stated to be Debtor to the Commercial Con-
cern during the period in question.

The select Committee, in their Fourth Report,* have stated, that the Company's nett profit upon the whole of their trade, between 1792-3, and 1808-9, abroad, and between 1793-4, and 1809-10, at home, has exceeded by £2,164,533 the amount required to defray the expenses and losses immediately incident to it, and to pay the dividends on the capital stock with the interest on the bonds, although the total prime cost of the goods lost by the Company from shipwreck, in 1808, and 1809, amounted to £886,168, and the total cost and computed profit of these goods to £1,202,638.† It is clear, therefore, from these statements—1st, That so far from the revenues of India having been absorbed by the commerce of the Company, they have actually drawn from it the sum of £1,629,701,—and 2dly, That a surplus profit upon the whole trade of the Company, to the amount of £2,164,533, has been applied to the relief of their general finances.

The 3d objection, that the frequent applications made by the Company of late years to Parliament for pecuniary aid, have caused a serious addition to the burdens of the country, requires attention to the political events which have occasioned the Com-

* Page 454.

† Supplement to the Exposition of the state of the Company's Finances, ordered by the House of Commons to be printed, 22d May 1810.

pany's embarrassments, as well as to the circumstances under which their several applications for relief have been preferred.

The whole of the Company's financial difficulties are to be ascribed to the almost unceasing course of hostilities, which for twenty years has raged in Europe, and to the frequent wars which the Company has, during the same period, carried on in India.

The increased expense incurred by the Company in time of war, under the head of freight and demurrage alone, amounts to about £600,000, annually; and during the whole period of their charter, it may be estimated at twelve millions sterling.

The rise in the rate of wages in England, consequent on taxation, and other causes, has greatly enhanced the price in the home market, of every article which the Company exports; and as the sale prices abroad have not advanced in any proportionate degree, a corresponding reduction on the profits of their exports has arisen, which has not by any means been compensated by the prices they have received for their imports.

Besides these inconveniences which they have felt in common with the nation at large (inconveniences

however under the pressure of which other merchants have repeatedly sought and obtained parliamentary relief), the Company have had to struggle with difficulties and hardships peculiar to them as a body.

The effects of long protracted warfare are manifest in the prodigiously enlarged scale of their military expenditure. In 1793, the military charges of India, including buildings and fortifications, were estimated at £3,035,375. The actual military charges in 1798-9, including buildings and fortifications, amounted to £7,659,791, shewing an increase, beyond the estimate, of £4,624,416*. The number of King's troops which the Company were bound by act of Parliament to pay and maintain for the defence of their Indian possessions, was 10,727, the annual expense of which would have been about £485,000. Since the year 1798, the extent of that force which forms the most expensive part of their military establishment, has been gradually increased; and in 1810, the number of King's troops in India amounted to 21,763. The increase of expense consequent on this augmentation of force, in the twelve years, from 1799, to 1810, has been £3,958,850, exclusive of the expense of horses for His Majesty's cavalry, stores supplied to all the regiments, and other contingencies, which if included would

* Second Report of the Select Committee, page 35.

raise the total excess of charge in India, probably to £4,500,000. And if Indian interest were charged on the annual excess of expense, it would make a total of £6,200,000.

At home, the charges of the Pay-office against the Company are necessarily swelled by the excess in the numbers of His Majesty's troops in India, allowed by the acts of 1788 and 1791. Those acts provided for one regiment of dragoons, and nine regiments of infantry, the expense of which, as charged in the Pay-office accounts, was about £75,000 per annum; or for 18 years, £1,350,000. The difference between this and the sum actually charged, exceeds two millions sterling, without interest.

The Company have been also charged with the expense of a recruiting company at home, though the recruits so raised are often sent not to India, but to other quarters; and in several instances the pay of Colonels of regiments employed at home, or on the continent, have been charged to the East India Company.*

It has always happened, that when Great Britain has been involved in European war, its effects have been felt in India. Even when no Euro-

* Printed Papers, page 127

pean enemy appeared in the field, either to threaten the security of the Company's territory, or to dispute the predominance of their power, their resources have uniformly been applied under the authority and direction of His Majesty's Government, to frustrate schemes from which danger was apprehended to the general interests of the empire, and to undertake conquests, which though important in a national view, were certainly not worth to the Company the expense incurred in their acquisition. Wars growing out of our Indian system, particularly since the period when ambition seems to have obtained an ascendancy over prudence in our councils, the territorial revenues of India are perhaps inadequate to provide for; but it would be altogether extravagant to expect that they can be equal to support European wars, for general and national objects, or a struggle between Great Britain and France, on the soil of India, for the maintenance of power in Europe.* It is well known, however, that in the course both of the last and the present war, the Company have not only had to contend against France and her allies on the Continent of India, but that expeditions have been

* Letter from the Chairman and Deputy, to the Right Hon. Robert Dundas, dated 16th September, 1808. Printed Papers, page 9.

fitted out by the Company against the French, the Dutch, and the Spanish possessions in the Indian Archipelago, and that a large force was sent from India to the Red Sea, which assisted in the expulsion of the French from Egypt. And it is equally true, though not perhaps so well known, that the Company have been only partially indemnified for the cost of enterprises, undertaken by the express command of His Majesty's Government, and for objects as decidedly national, as if they had been directed against Martinique, Curaçoa, Trinidad, or the Coast of the Mediterranean. Though the Moluccas were restored to the Dutch at the Peace of Amiens, the Company were allowed only half the expense of their capture. The same rate of indemnification was adopted in regard to Ceylon, notwithstanding that it has been made a King's settlement. And from the expense incurred by the Company, in the Egyptian expedition, the nett ordinary pay of the troops employed was deducted in the indemnity awarded them, though the place of the native troops was immediately supplied by new levies in India. Nay, two of His Majesty's regiments of infantry, which had formed part of the expedition, returned from Egypt to Europe at the termination of the campaign, clearly shewing that they had not been sent out for the defence of India.

The still unliquidated claim of the Company upon the public for these services is,

For Ceylon, 1796-7 to 1801	-	£1,205,656
Eastern Islands, 1795-6 to 1805-6		1,321,859
Egyptian Expedition, 1798-9 to 1802-3		120,000
Total		<u>£2,647,515</u>

with the interest since accumulated upon that sum.*

The extra expense recently incurred in the capture and on account of supplies to the Mauritius and Java, amounts to,

Mauritius	-	-	-	£2,127,672
Java	-	-	-	1,502,411
Together				<u>£3,630,083</u>

The natural, and indeed the necessary consequence of war expenditure has been the same in India as in Europe. According to the adjusted statements in the Reports of the Select Committee of the House of Commons, the Company's debt, which in 1792 did not amount to eight millions, had grown in 1808 to near twenty-nine millions sterling, in spite of every effort on the part of the Court of Directors, not only to check its increase, but also to accomplish its reduction.--Of these endeavours, the Select Committee have

* Third Report, Appendix. No. 17. page 396

expressed themselves in terms of just commendation in their Third Report.*

“ The anxiety with which the increase of the
 “ debt in India has been contemplated by the autho-
 “ rities at home, is strongly evinced by a Letter ad-
 “ dressed to the Chairman, and Deputy Chairman of
 “ the Court of Directors, by a late President of the
 “ Board of Commissioners, for the affairs of India,
 “ when quitting that department in 1801, which is
 “ already upon the Table of the House. The sug-
 “ gestions contained in it were not neglected by his
 “ successor; and in the next year, exertions were
 “ made to carry into effect a part of what was re-
 “ commended in that document. The general prin-
 “ ciple of the measures (which were apparently con-
 “ fined to the space of two years), was to accomplish a
 “ more rapid liquidation of the principal of the Indian
 “ debt, than could be effected by the existing ar-
 “ rangements. The proposed plan being brought to
 “ maturity, a communication of it was made to the
 “ Bengal Government, by a letter, dated 1st June,
 “ 1803, with orders for carrying it into execution.
 “ This document will likewise be found in the Ap-
 “ pendix; and the amount of the exports of goods
 “ and of bullion in the years 1803-4 and 5, will prove
 “ that every effort was made to ensure the success of

“ the measure. The accumulation of the Indian
 “ debt, however, which appears in subsequent years,
 “ shews its entire failure. The cause of this your
 “ Committee attribute to the war with the Mahratta
 “ Chieftains, which broke out in the very year in
 “ which the plan commenced, and did not finally
 “ close till April, 1805.”

From the 1st March, 1803, to the 1st March, 1806, the Company's supplies to India and China exceeded the amount sent in the three years immediately preceding, in the sum of £2,712,526, and the amount of their receipts for the sale of goods, from the 1st March, 1803, to the 1st March, 1806, fell short of the receipts in the three years immediately preceding, in the sum of £3,268,671.* These facts, which are to be accounted for from the absorption not only of the revenues of India, but of the home supplies by the Mahratta war, sufficiently evince the anxiety felt by the Company for the liquidation of their Indian debt, and at the same time shew, that besides the disappointment of a favourite hope, they experienced an unprecedented failure in an usual source of income from a political measure, in which they were no ways implicated, and of which they always disapproved.

* Exposition of the East India Company's Finances, ordered by the House of Commons to be printed, 2d March, 1810, pages 3 and 4.

The extinction of the surplus revenue of India from which a million sterling annually ought to have been appropriated to the purpose of commercial investment, was not the only baneful effect produced by the increase of the debt. The terms on which the loans in India were contracted for of late years, have tended to transfer the burden of the debt from the territories abroad to the Company's funds at home.

Of old, the principal and interest of the sums borrowed were payable only in India, and consequently the pressure of the debt fell chiefly upon the Indian treasuries. But in the course of the ten years, from 1798 to 1808, the loans were made with an option to the lenders, of demanding bills upon England, for the interest, half yearly, of their subscriptions, and also for repayment of the principal at the periods when the loans became redeemable, which were usually at the expiration of ten years, from the dates of the contracts. A general reduction in the rate of Indian interest, from 10 and 8 to 6 per cent., operated as an inducement to the Company's creditors to avail themselves of the option of receiving payment in England, and bills for a sum exceeding thirteen millions sterling, have been drawn by the Governments in India upon the Company's treasury in London, between the 1st May, 1807, and the 3d February, 1812, on account of the interest and capital of the Indian debt, exclusive of the sums that have been re-invested at home in the Company's

securities. This transfer of debt, though it must from the reduction in the rate of interest, have produced an important improvement in the general concerns of the Company, has also caused a severe pressure upon their finances in England, and is in fact the source of all their late embarrassments. When the Government of this Country borrows money to supply the public exigencies, the interest only is to be provided for, as they are never called upon for repayment of the capital. But the Company by the conditions of their Indian loans, have been obliged to provide for the discharge both of capital and interest, and that too in England, where there are no funds properly applicable to the liquidation of their territorial debt. Hence the necessity of their applications to Parliament of late years for relief.

Let us trace the amount of pecuniary assistance which they have at different times obtained, and the grounds on which it has been voted.

In 1805, when the Company's difficulties first began to press upon them, they applied to Parliament for payment of a large balance, amounting to £5,570,336, due to them from Government on account of advances for the public service in India. The account having been referred to a select Committee of the House of Commons, they reported, that after dividing the charges of the capture &c. of Ceylon, and the Eastern Islands, equally between

the public and the Company, deducting the ordinary expenses of the troops employed in Egypt, from the gross charges of the expedition, and taking credit for the whole amount of charge against the Company, by His Majesty's military Pay Office, many articles of which the Committee allowed to be objectionable, there was a clear balance owing to the Company of £2,300,000. Of this sum one million was paid to the Company on account in 1805, and another million in the following year.

By the Act of 37th of the King, cap. 3, the Company were permitted to add two millions to their capital stock, a power of which they have never chosen to avail themselves; because this addition to their capital could hardly have failed to depress the value of their stock in the market, and because the dividends which they must have paid to the new proprietors would have borne a much greater proportion to the sum raised by subscription, than the legal rate of interest bore to the same sum, if borrowed on loan, or raised in another way. Accordingly an act was passed in 1807,* to enable them to borrow two millions upon bonds, by which means they got over their difficulties in that year.

In 1808, the Company submitted to Parliament

* 47th George III. cap. 41.

an exposition of their finances at home and abroad, and solicited payment of a sum of £2,460,000, due to them from the public. This document was referred to a select Committee of the House of Commons, who reported, that they found £1,500,019, unquestionably owing to the Company, a doubtful balance being still left open for discussion. The Committee at the same time stated, that they would have been disposed to recommend a more liberal allowance to the Company, had they not conceived themselves restrained by the principles laid down by the preceding Committee in 1805; principles however against which the Company have always protested. In consequence of this report, £1,500,000 was paid to the Company under the authority of Parliament.

In April, 1810, the Company presented to the House of Commons a supplement to their financial exposition of 1808, in which they stated the embarrassments to which they were subjected by the continued remittances of the capital of the optional India debt, and petitioned for a temporary assistance by loan. They shewed satisfactorily, that though their disposable funds were inadequate to meet the great and sudden demand on their home treasury, their property in convertible assets afforded ample security for any advance that might be made them; and on this representation Government were authorized by the act of the 50th George III. cap. 114, to

issue Exchequer Bills to the amount of £1,500,000, for the use of the East India Company. By this assistance the Company's home finances were relieved for 1810. Government since that time have not only been reimbursed by the Company, in advances for the public service in India, for the above issue of Exchequer Bills, but there is a clear balance in favour of the Company (exclusive of former disputed claims), on the general account between them and Government, as made out on the 14th May, 1812, to the amount of £1,597,483, the Company taking credit on the one side for £3,630,083, expended upon the Mauritius and Java, and credit being given on the other for the sum received in Exchequer Bills.

The transfer of the debt from India to Europe having still gone on in rapid progression in the course of the last three years, and Parliament being convinced, that the operation with whatever temporary inconvenience it might be attended, would be permanently beneficial in its effects, passed an act in 1811,* authorizing the Company to make a further issue of bonds to an amount not exceeding two millions, which with the two millions issued in 1807, have produced about half a million more than the

* 51 George III. cap. 64.

two millions which they were empowered to add to their capital, in virtue of the act of 37th George III. cap. 3.

It being found that when the Company issue bonds to a very large amount, they are returned in payment of the goods purchased at their sales, it was deemed advisable last session of Parliament (1812), that two millions and a half should be borrowed by Government for the use of the East India Company on the same terms for which the loan was made for the public, and a clause has been introduced into the act,* binding the Company not only to provide out of their own funds for the interest of their part of the loan, but to set apart the sum of £111,820, annually, for the gradual liquidation of the principal.

In the course of the present session (1813), a further sum will still be wanted to enable the Company to meet the unprecedented demand on their home treasury, in consequence of the bills drawn upon them from India, which in the last five years, as was already stated, have amounted to the enormous sum of thirteen millions sterling. But as the utmost probable extent of these demands is now ascertained, it is to be hoped that the Company's finances (should war in India not intervene to disappoint the expectation), will be amply sufficient not only to meet the future exi-

* 52d. George III. Cap. 135.

gences of their government, but fully to discharge whatever they owe to the nation.

From the foregoing statements it appears, that the money voted to the Company by Parliament in 1805 and 1806, was in payment of an admitted debt due to them from the public. The four millions which in 1807 and 1811, the Company were empowered to raise by bonds, was in lieu of the two millions which they had the option under the 37th of the King, of adding to their capital stock. The assistance they received in 1808, was in liquidation of a debt then acknowledged to be owing to them from the public. The Exchequer bills, issued for their use in 1811, have been since repaid by advances for the public service. The only debt, therefore, which the Company now owe *to the nation* is the loan of two millions and a half borrowed in 1812; and supposing two millions and a half more to be wanted in 1813, their total debt to the public will be five millions. For the payment of the interest, and the gradual liquidation of the principal of one-half of this debt, provision has been already made, and the same provision will probably be extended to the other half when contracted. The necessity for this aid by loan might, however, have been prevented by an act of justice on the part of Government to the Company.

The unliquidated claims of the Company upon Government are,

Total estimated Excess of Disbursements on Account of His Majesty's Troops employed in India, beyond the Provisions of the Act of Parliament	- - - - -	£6,200,000
Half the Expense of Ceylon and the Moluccas, and Balance on the Egyptian Expedition remaining Unpaid	- - - - -	2,647,515
Balance in favour of the Company upon their Account with Government, as made up on the 14th May, 1812	-	1,597,483
Total Claims		<u>£10,444,998</u>

The payment of this debt by Government would more than enable the Company to reduce their bond debt to the sum of £1,500,000, as provided by the act of 1793, and to pay off the loan borrowed from the public in the present year, besides relieving them from the necessity of having further recourse to Parliament for assistance; and till this is done, instead of the public having ground of complaint against the Company, the Company have good reason to murmur that grievances unredressed are aggravated by unfounded accusations.

Upon the whole—In reference to *the past*, it would be unjust towards the Company, not to bear in mind

that the success with which their commercial affairs have been conducted, is fully established in the reports of the select Committee of the House of Commons; that all their financial embarrassments are attributable to the political branch of the concern; and that the political measures out of which their difficulties have arisen, have been wholly adopted by the direction, and executed under the superintendence of His Majesty's Government. The politics of India, ever since the institution of the Board of Commissioners, have been considered as a branch of the general politics of the empire, and all the Company's resources, whether territorial or commercial, have been devoted to uphold the national interests to the constant injury of their trade. There has been no contrariety in the direction of measures, whatever differences of opinion may have occurred in discussion. The only apparent separation of interest has been in the settlements of accounts between the Company and the public, and in these adjustments the alacrity which the Company have at all times manifested to second the views of His Majesty's Government, as well as the uniform and brilliant success with which their operations have been accompanied, entitled their claims, at least for indemnity, to a more liberal consideration than they have sometimes met with.

With a view to *the future*, it is of essential concern to the Company,

1st.—That the number of King's troops to be maintained in India shall be definitively fixed, and that the Company shall have an indisputable claim upon His Majesty's Government for whatever expense may be incurred in consequence of any excess in their stipulated amount.

2dly.—That a principle shall be agreed upon, and regulations laid down for the adjustment of accounts between Government and the Company.

3dly.—That some mode of keeping the Company's accounts shall be devised, by which their political and commercial concerns may be preserved distinct, instead of being, as at present, inseparably interwoven.

And, 4thly.—That a system of economy be maturely concerted, and rigidly enforced upon the several Governments in India, for the purpose of checking profuse expenditure, and of retrieving the Company's finances from the embarrassments in which they are now involved.

The last of these suggestions, though obviously the most important, will not be the least difficult in the execution. There has scarcely been a single despatch sent out to India for years past, in which attention to economy has not been strongly inculcated upon the Governments abroad, and retrenchments to a consi-

derable extent have actually been carried into effect in several branches of the service. A great clamour has been raised against the Company both here and in India, on this very account, so that they are placed in the singular predicament of having at once to encounter the obloquy attendant upon their financial embarrassments, and censure for the means they have employed, with a view to remove this subject of complaint. Private considerations, however, must give way to public expediency, and farther reforms must be projected and executed with a firmness and energy proportioned to the magnitude of the obstacles by which they are opposed. The vast extension of the Company's territories has necessarily occasioned a large increase in their establishments, both civil and military. The exhausted and dilapidated state of most of the conquered and ceded districts, requires great moderation in the demands of Government, with a view to the ultimate improvement of their resources. The internal disorders consequent upon war and rapine require vigour to repress, as well as time to heal. A display both of strength and of vigilance is necessary to overawe the lurking sentiments of jealousy and discontent, which have been powerfully excited by our success in the minds of the native Chieftains, and which are always ready to break out in acts of resistance or invasion. Those Europeans too who separate themselves from their country and connexions, and devote the best portion of their lives to dangerous and laborious duties in an

unhealthy climate, have a claim to liberality on the part of their employers, which it would be equally unfeeling to overlook and senseless to disappoint. Still it must not be forgotten, that India now yields an annual revenue of more than fifteen millions and a half sterling, that the territories have been relieved from an immense load of debt, that a large saving must accrue from the reduction of the rate of interest upon the remainder, and that it is incumbent upon the local authorities to appropriate every rupee that can be spared from the necessary expenditure, to the extinction of those burdens by which the Company at home are so heavily oppressed.

In order to expose the futility of the fourth objection, viz. that the Company are bankrupts, and that they ought to share the fate of other insolvent debtors, it is only necessary to take a general view of the actual state of their affairs both abroad and at home, as exhibited in the last account of their stock, by computation, on the 1st March, 1812. A similar account is drawn up annually to the 1st March, and has been usually moved for in Parliament, as affording the most accurate and comprehensive information that could be furnished, of the state of the whole concern at the several periods when the accounts have been prepared.

Stock per Computation on the 1st of March, 1812. D^r

To bonds bearing interest	£	6,565,900
To ditto not bearing interest		15,417
To bills of exchange unpaid from India		4,238,382
To ditto China		43,596
To custom and excise of goods sold, and customs on goods unsold		935,313
To the Bank for a loan on mortgage of the annuities that may be sold } per act of 1788		700,000
To ditto for a loan on bond		100,000
To freight and demurrage		39,336
To supra cargoes commission on all goods sold and unsold		162,800
To proprietors of private trade on all goods sold		663,000
To almshouses at Poplar		61,742
To owing for exports of former seasons		124,987
To ditto . . . to the warehouse and other contingent funds		12,998
To warrants passed the Court unpaid		34,500
To owing for teas returned by the buyers and resold		971
To interest on bonds		107,891
To dividend on stock		68,932
To paid by the adven- } turers, being	87½ per cent. on £3,200,000	£2,800,000
To additional capital sold } ditto	155 800,000	1,240,000
To ditto ditto	174 1,000,000	1,740,000
To ditto ditto	200 1,000,000	2,000,000
	£ 6,000,000	7,780,000

To balance of quick stock against the Company at Bengal, made up to }
30th April, 1811 } 17,555,313

£ 39,211,078

The sum of £900,000, stated to be due from Government, is the balance remaining after the last payment on account of the Company's claims in the year 1808, and does not contain any disbursement on account of Government, in consequence of the late expenditure, made by the Company for expeditions from India to the Islands of Mauritius, &c. —nor does it include any extra charge incurred on account of the excess of King's troops employed in India beyond the parliamentary limit.

Stock per Computation on the 1st of March, 1812. C^r

By due from Government to the Company	£ 1,207,560
By cash its balance on the 1st of March, 1812	995,394
By the amount of goods sold not paid for	1,096,390
By the Honourable Board of Ordnance for saltpetre	10,998
By the value of goods in England unsold	4,800,141
By balance of quick stocks in favour of the Company at Fort St. George, made up to 30th April, 1811	5,537,366
By balance of quick stocks in favour of the Company at Bombay, made up to 30th April, 1811	2,003,134
By balance of quick stocks in favour of the Company at Fort Marlborough, made up to 30th April, 1811	286,944
By balance of quick stocks in favour of the Company at Prince of Wales's Island, made up to 30th April, 1811	233,026
By balance of last books at St. Helena, made up to 30th September, 1810	170,187
By balance of quick stocks in favour of the Company at Canton, made up to March, 1811	995,160
By balance of quick stocks in favour of the Company at the Cape of Good Hope, made up to 31st August, 1811	45,649
By cargoes from England not arrived in India and China, at the dates of the several quick stocks	1,876,872
By exports paid for, exclusive of bullion season, 1811-12	1,268,926
By impress and war allowances paid owners of ships not arrived in England	665,043
By the value of ships, sloops, and vessels, exclusive of those stationed abroad	70,020
By the value of East India House and warehouses	1,138,000
By the Company paid for their dead stock in India	400,000
By due from Government for stores and supplies to His Majesty's troops	960,000
By ditto on account of hemp from India	120,801
By owing from sundry persons returned from India and in India, to be repaid in England	19,712

23,922,013
Balance against 15,289,065

£ 39,211,078

MEMORANDUM:—

IN the above account the article of dead stock is valued at £400,000, which includes buildings and fortifications, plate, household furniture, plantations, farms, sloops, vessels, stores, and other articles of dead stock, according to Lord Godolphin's award in the year 1702, whereas the whole of the sums of money expended in buildings and fortifications, by the last advices from the Company's several settlements, for the acquisition and maintenance of their possessions, and the nearest estimated value of other articles of dead stock, is as follows:

	Buildings and Fortifications.	Plate, Household Furniture, Plantations, Farms, Sloops, Vessels, Stores, &c.	TOTAL.
At Bengal	£ 5,079,150 . .	£ 1,483,015 . .	£ 6,562,165
-- Fort St. George & sub.	1,887,313 . .	464,209 . .	2,351,522
-- Bombay and ditto	1,102,586 . .	345,690 . .	1,448,276
-- Fort Marlborough	244,810 . .	66,889 . .	311,699
-- St. Helena	43,856 . .	98,905 . .	142,761
	<u>£ 8,357,715</u>	<u>£ 2,458,708</u>	<u>£ 10,816,423</u>

The balance against the Company, by the foregoing account is £15,289,065. This balance, however, is more apparent than real, as will be manifest from the following observations.

In the first place, on the debtor side of the account, is included (contrary to usual custom) the capital advanced by the proprietors, amounting to £7,780,000. This cannot properly be considered as a debt, because it has not created a liability of demand. Its extinction (supposing it to be extinguished) can only be esteemed a loss sustained by the subscribers—a misfortune from which they alone are the sufferers. Deducting therefore the sum of £7,780,000 subscribed by the adventurers, from the unfavourable balance as above stated, that balance will be reduced to £7,509,065.

2. Credit is only taken for £400,000, on account of what has been paid for dead stock in India, amounting, as per memorandum, to £10,816,423. As a considerable part of the latter sum must have been laid out on perishable articles, many of which are greatly deteriorated, and some not now in existence, it would be extravagant to claim credit for the whole amount of the expenditure. It is obvious, however, that the valuation put upon the property denominated Dead Stock in 1702, can bear but a very small proportion to its actual value, and the subsequent increase (whatever it is) ought to be set down in deduc-

tion of the unfavourable balance against the Company on the general account.

3. Credit is only taken for sums due from Government to the Company to the amount (as per 1st and 19th items of the account) of £2,167,560, whereas it has been already shewn, that the sum actually due, or at least for which the Company have a fair claim to reimbursement, amounted on the 14th May, 1812, to £10,444,998.

4. Whatever difference of opinion may exist as to the Company's right to the sovereignty of those territories which have been acquired in India by conquest and treaties, nothing is more just than that not only the territorial debt as it now stands should accompany the territorial sovereignty, but that whatever sum the territory has borrowed from the trade, should be repaid in the event of a separation of interests. The balance of clear profit in favour of the Company's Commerce, is reported by the Select Committee of the House of Commons to have amounted between 1793-4 to 1809-10, to £2,164,533, which sum has been expended in supplies to the political concern, and were the two branches of the concern henceforth to be conducted under different auspices, a final adjustment of accounts must take place between them, in which case the sum above stated would constitute a claim on the part of the trade against the territory. The Company would also

have a claim upon Government for the losses they have sustained by supplies of hemp, and by the excess of saltpetre furnished to the Board of Ordnance, beyond the quantity stipulated in the original agreement,

5. The only privilege now enjoyed by the Company, which is determinable at the expiration of their Charter, is that of carrying on the *exclusive* trade to and from India and China, and other places beyond the Cape of Good Hope. Supposing the renewal of this privilege to be refused, the Company cannot be bereaved of their perpetual right, as a body corporate, to trade with India and China upon a joint stock, in common with the rest of their fellow subjects. Supposing, also, that the territories which have been acquired in India by conquest and treaty, with the debt contracted in their acquisition, were assumed by the Crown, the Company have large estates in India, their titles to which are as indefeisible as any that money can purchase, or the most legitimate occupancy has ever established, and which could not therefore be legally comprehended in this assumption. Of this description are the town of Calcutta and the twenty-four Purgunnahs—Madras and its Jaghire—the five northern Circars—the islands of Bombay and St. Helena—Cuddalore, Penang, and Bencoolen, and all the forts and factories held by the Company under original grants from the native Princes in India. Of these possessions the Company

cannot be deprived without an equivalent compensation, unless the British Parliament, forsaking the common principles of justice, shall choose by an arbitrary proceeding to invade the rights of property, which have uniformly been respected in its past decisions. The estates, as enumerated, ought therefore to be admitted in the schedule of the Company's disposable assets.

6. When it is considered that the whole unfavourable balance against the Company upon the general account (including their capital stock) falls short of one year's revenue of their Indian territories, the state of the concern instead of being desperate, may be held forth with exultation as exhibiting an instance of successful enterprise unparalleled either in ancient or modern times.

To those who are not disposed to acknowledge the extension, internal improvement, and additional security of the Indian empire, to be a sufficient compensation for the sacrifices by which these objects have been attained, the following extract from the conclusion of the fourthth report of the Select Committee of the House of Commons, will present a different and perhaps more consolatory view of the subject.*

* 4th Report, pages 454. 455.

" Your Committee having referred in their third
 " report to considerations that seemed, in their
 " judgment, to offer some counterbalance to the
 " sacrifices of funds which had been made, conceive
 " it unnecessary to introduce any additional remarks
 " on this head ; but after calling to the recollection
 " of the House, that the observations hitherto made
 " on these extensive and complicated transac-
 " tions, and on the result of them, have applied
 " exclusively to the interests of the East India
 " Company, your Committee will proceed to submit
 " their view of them in their bearing on the general
 " interests of the British Empire, which they trust is
 " such as to lead to results much more gratifying
 " than those which have been exhibited in reference
 " to the separate affairs of the Company. The in-
 " voice value of goods and stores exported by
 " the East India Company to India, China,
 " and St. Helena, between 1791-2 and 1807-8 was
 " £29,244,227 ; deducting the amount lost and cap-
 " tured, £28,791,967. There was exported in bul-
 " lion in the same period £9,434,042. The total
 " export from England, supposed to have arrived
 " between 1792-3 and 1808-9, was, therefore,
 " £38,226,009. The returns made by India and
 " China in consignments of goods amounted to
 " £50,754,400. The charges upon these goods,
 " not added to the ~~invoices~~, may be stated at
 " £2,916,279, which will carry the amount of the
 " returns to the sum of £53,670,679, exclusive of

“ £1,371,788 lost and captured. On which view
 “ it will appear that England received in property
 “ from India and China, more than was sent, to the
 “ amount of £15,444,670; but the result arising out
 “ of the transactions of the East India Company
 “ alone is susceptible of a very considerable addition;
 “ if the means existed of examining with equal accu-
 “ racy the exports and imports in privilege and
 “ private trade. The amount of the exports it is not
 “ practicable at all to ascertain; neither can the
 “ value of the imports be shewn, otherwise than by
 “ a general computation governed by the proportion
 “ between the prime cost and the sale amount of the
 “ Company’s goods. The sale amount of the privi-
 “ lege and private trade and neutral property was
 “ £37,794,857, the prime cost of which may be
 “ calculated at £20,700,000. How far the pur-
 “ chase of these goods was made by exports from
 “ England, it is not possible to state; but no doubt
 “ exists of the purchase of them in this manner hav-
 “ ing been very considerably below the amount of
 “ the prime cost now stated. Whatever the amount
 “ of the exports may have been, the difference be-
 “ tween that and the sum of £20,700,000 is so
 “ much in addition to the result above shewn, which
 “ would be still further enhanced by the remittance
 “ of fortunes known to have been made in a variety
 “ of shapes, from India to England, through extra-
 “ neous and circuitous channels, to an amount

“ which there is no possibility of tracing with accu-
 “ racy.

“ If the means were attainable of shewing the
 “ result upon accurate calculations, the advantages
 “ derived to the British Empire would appear to a
 “ very large amount. The same difficulty, however,
 “ does not obstruct a statement of the accession
 “ accruing to the general circulation, and the bene-
 “ fits derived from it both to India and England. In
 “ India the industry of the subject has been encou-
 “ raged and assisted by the employment of forty-
 “ six millions sterling, or on the annual average
 “ £2,700,000 in the provision of investments for
 “ England.

“ The produce and manufactures of India pur-
 “ chased by this sum, combined with those of China
 “ sold in England, realized in sale amount to the
 “ extent of nearly one hundred and forty-one mil-
 “ lions sterling, or more than eight millions per
 “ annum. The general distribution and circulation
 “ arising out of this trade may be stated to have
 “ been,

“ In the purchase of the produce and ma-

“ nufactures of England £29,200,000

“ In the employment of British shipping 25,000,000

“ In the payment of bills of exchange 24,500,000

“ In the purchase of bullion, the import	
“ of which may be supposed to have	£
“ been in payment for British produce	9,400,000
“ In disbursements for home charges	. 11,600,000
“ In dividends to proprietors of capital	
“ stock and interest in bonds	. . 12,500,000

“ The sale of private goods and neutral property
 “ amounted to nearly £37,800,000. Of this sum
 “ about four millions may be supposed to be in-
 “ cluded above. If an adjustment could be made of
 “ the remainder, amounting to £33,800,000, the
 “ distribution of it could be precisely defined.

“ It has appeared that the duties on imports, col-
 “ lected through the Company, and realized at a
 “ very trivial expense to Government, amounted to
 “ £39,300,000, and on exports to £660,000 ; toge-
 “ ther £39,960,000.

“ The combination of these several sums, producing
 “ £185,960,000, shews, that on the average of the
 “ last seventeen years, £10,900,000 per annum has
 “ been diffused in various channels through the whole
 “ circulation of the British empire. By this its
 “ manufactures have been supported, encouraged,
 “ and improved; its shipping has been increased,
 “ its revenues augmented, its commerce extended,

“ its agriculture promoted, and its power and resources invigorated and upheld.”

Such are the advantages which the new Parliament will be solicited by the East India Company to secure to the Country, under a continuance of the existing system, and which it will be importuned by other classes to hazard in favour of one of the wildest schemes that ever entered into the head of man, through “ the ivory gate of dreams.” Sir Francis Bacon has well observed, “ It is not good to try experiments in States, except the necessity be urgent, or the utility be evident ; and well to beware that it be reformation that draweth on the change, and not the desire of change that pretendeth the reformation ; and, lastly, that the novelty, though it be not rejected, yet be held for suspect, and as the scripture saith—*That we make a stand upon the ancient way, and then look about us, and discover what is the straight and right way, and so to walk in it.*”*

“ The science of constructing a Commonwealth,” says another illustrious author, “ or renovating it, or reforming it, is like every other experimental science, not to be taught *a priori* ; nor is it a short experience that can instruct in that practical

* Essay on Innovation.

“ science, because the real effects of moral causes
 “ are not always immediate, but that which in the
 “ first instance is prejudicial, may be excellent in
 “ its remoter operation; and its excellence may arise
 “ even from the ill effects it produces in the begin-
 “ ning. The reverse also happens; and plausible
 “ schemes with very pleasing commencements have
 “ often shameful and lamentable conclusions. In
 “ States there are some obscure and almost latent
 “ causes, things which appear at first view of little
 “ moment, on which a very great part of their
 “ prosperity or adversity may most essentially de-
 “ pend. The science of Government, therefore,
 “ being so practical in itself, and intended for such
 “ practical purposes, a matter which requires expe-
 “ rience, and even more experience than any person
 “ can gain in his whole life, however sagacious and
 “ observing he may be, it is with infinite caution
 “ that any man ought to venture upon pulling down
 “ an edifice which has answered in any tolerable
 “ degree for ages the practical purposes of society,
 “ or upon building it up again without having mo-
 “ dels and patterns of approved utility before his
 “ eyes.”*

The East India Company has answered in an emi-
 nent degree the ends of its establishment, and what-

* Burke's Reflections.

ever may be the theoretical objections to which its constitution is liable, it has contributed more to the wealth, prosperity, and power of Great Britain, and done more to advance her fame in the opinion of the world, than ever was achieved by any even of her most favourite institutions. It is to be hoped that it is not destined by its fall to perpetuate the ingratitude, rashness, and folly of the times, without even gracing the Country with a noble ruin. Like the celebrated statue which, so long as it adorned the harbour of Rhodes, was accounted one of the wonders of the world, but which, when broken down, served only to load twelve hundred asses with fragments of old brass, the Colossus of the Company is magnificent in form, and imposing in dimensions, but if demolished, its disjointed materials will be found of little value to those whose efforts are now directed to its overthrow.

FINIS.

THE
ORIENTAL
EXPOSITION.

THE
ORIENTAL EXPOSITION;

PRESENTING
TO THE UNITED KINGDOM

AN
Open Trade

TO INDIA AND CHINA.

Our distressed manufacturers and merchants demand, that the **INDIA COMPANY'S MONOPOLY** should be **ABROGATED**; and our national independence demands, that our **MARITIME DOMINION** should be complete.

BY S. F. WADDINGTON, ESQ.

LONDON:

PRINTED FOR THE AUTHOR;
SOLD BY SHERWOOD, NEELY, AND JONES,
PATERNOSTER-ROW.

1811.

Charles Squire, Printer.
Furnival's-Inn-Court, London.

PRELIMINARY.

This work is divided into two parts :

- I. *Extracts from the Journals of Parliament,
and other State Papers, &c.*
- II. *Observations and Deductions, arising from
the preceding data.*

IT is somewhat uncommon to affix the data in this manner ; but if the reader will kindly refrain his criticism, he will discover its absolute necessity, in order that he should, with the author, be ultimately convinced, “ that *exclusive charters and*

privileges are contrary to the principles of a free people, and to *Magna Charta*."

" That such exclusive privileges have been almost invariably gained through the disgraceful medium of corruption and of bribery."

" That the honourable the East India Company's monopoly is a great grievance ; and that its present charter, the Company have substantially forfeited."

The author has to note, that the printed journals of Parliament commenced but with the reign of Philip and Mary, and are frequently erased. He could, however, have readily added abundance of similar data, but he trusts that enough is exhibited ; especially when it is observed, that the PEERS could not, in 1775, obtain a sight of those East India charters, of which, TEN had been sub-

mitted to the Commons House in 1755, and the whole TWENTY-FOUR (see Part II. p. 73,) at length happily discovered, and exhibited on the table of that House in 1772 !

LONDON, September, 1811.

ERRATA.

Page 35, *for* 16th, *read* 1695.

— 152, *for* 200 millions, *read* 600 millions.

PART I.

EXTRACTS *from* JOURNALS *of the*
HOUSES *of* PARLIAMENT, *and*
other STATE PAPERS, &c.

EXTRACTS, &c.

7th and 8th April, 1554. 1 Mary.

BILLS were read, “restraining merchants from importing a greater value in merchandise than that exported:” and, “that one-fifth of the imports should be in bullion or coin.” Negatived.

20th April, 1555.—“*Mr. Speaker* declared, that at a previous conference *Mr. Story* had, kneeling, assured the Queen, that he (*Mr. Speaker*) had not opened to her highness *that licences might be restrained*, as hath been spoken in the House.” Whereupon *Mr. Speaker* prayed the advice of the House: “For that it seemeth to the House, that *Mr. Story* spake of good zeal. The fault toward *Mr. Speaker*, and the House, is remitted.”

5th March, 4th and 5th P. and Mary.—A bill passed “for confirmation of letters patents.” *Mr. Copley*, one of the House, having spoken unreverent words of the Queen’s majesty, concerning the bill “*for confirmation of patents*,” saying, that he feared the Queen might thereby give away the crown from the right inheritors—The House commanded, (on the complaint of the Queen), that *Mr. Copley* should be reprimanded. He pleaded

his youth ; but was committed to the serjeant-at-arms.

The Golden Speech of Queen Elizabeth to her last Parliament, Nov. 30, 1601.

Her majesty being set under state in the Council Chamber, at Whitehall, the speaker, accompanied with privy-councillors, besides knights and burgesses of the lower House, to the number of eight score, presenting themselves *at her majesty's feet*, for that so graciously and speedily she had heard and yielded to her subjects desires ; and proclaimed the same in their hearing, as followeth :

“ Mr. Speaker,

“ We perceive your coming is to present thanks to us. Know, I accept them with no less joy than your loves can have desire to offer such a present, and do more esteem it than any treasure, or riches, for those we know how to prize, but loyalty, love, and thanks, I account them invaluable. And though God hath raised me high, yet I account the glory of my crown that I have reigned with your loves. This makes that I do not so much rejoice that God hath made me to be a Queen over so thankful a people, and to be the means under God to conserve you in safety, and preserve you from danger, yea, to be the instrument to deliver you from dishonour, from shame, and from infamy, to keep you from out of servitude, and from slavery under our enemies, and

cruel tyranny, and vile oppression intended against us ; for the better understanding whereof, we take, very acceptable, their intended helps, and chiefly in that it manifesteth your loves and largeness of hearts to your sovereign. Of myself I must say this, I never was any greedy scraping grasper, nor a strict fast-holding prince, nor yet a waster, my heart was never set upon any worldly goods, but only for my subjects good.

“ What you do bestow on me I will not hoard up, but receive it to bestow on you again ; yea, mine own properties I account yours to be expended for your good, and your eyes shall see the bestowing of it for your welfare.

“ Mr. Speaker, I wish you and the rest to stand up, (they were kneeling), for I fear I shall yet trouble you with longer speech.

“ Mr. Speaker, you give me thanks, but I am more to thank you, and I charge you thank them of the lower House from me, for *had I not received knowledge from you*, I might a fallen into the lapse of an error, only for want of *true* information.

“ Since I was Queen, yet did I never put my pen to any grant, but upon *pretext* and *semblance* made me, that it was for the *good and avail* of my subjects **GENERALLY**, though *private profit* to some of my ancient servants who have deserved well : but that my grants shall be *made grievances to my people*, and *oppressions, to be pri-*

viled under colour of our patents, our princely dignity shall not suffer it.

“ When I heard it *I could give no rest unto my thoughts until I had reformed it*, and those *varlets, lewd persons, abusers of my bounty, shall know I will not suffer it.*

“ And, Mr. Speaker, tell the House from me, I take it exceeding grateful, that the *knowledge of these things* are come unto me from them. And though, amongst them, the principal members are such as are not touched in private, and therefore need not speak from any feeling of the grief, yet we have heard that other gentlemen also of the House, who stand as free, have spoken as freely in it; which gives us to know, that no respects or interests have proved them, other than the minds they bear to suffer no diminution of our honour and our subjects love unto us. The zeal of which affection, tending to *ease my people*, and knit their hearts unto us, I embrace with a princely care far above all earthly treasures. I esteem my people's love, more than which I desire not to merit; and God that gave me here to sit, and placed me over you, knows that I never respected myself, but as your good was conserved in me; yet what dangers, what practices, and what perils I have passed, some, if not all of you, know; but none of these things do move me, or ever made me fear, but it's God that hath delivered me.

“ And in my governing this land, I have ever set the judgment-day before mine eyes, and so to rule, as I shall be judged, and answer before a higher judge, to whose judgment-seat I do appeal, *in that never thought was cherished in my heart, that tended not to my people's good.*

“ And if my princely bounty have been abused, and my grants turned to the hurt of my people *contrary to my will and meaning, or if any in authority under me have neglected or converted* what I have committed unto them, I hope God will not lay their culps to my charge.

“ To be a king, and wear a crown, is a thing more glorious to them that see it, than it's pleasant to them that bear it.

“ For myself, I never was so much inticed with the glorious name of a king, or the royal authority of a queen, *as delighted that God hath made me his instrument to maintain his truth and glory,* and to defend this kingdom from dishonour, damage, tyranny, and oppression. But should I ascribe any of these things to myself, or my sexly weakness, I were not worthy to live, and of all, most unworthy of the mercies I have received at God's hands, but to God only and wholly all is given as ascribed.

“ The cares and troubles of a crown I cannot more fitly resemble than to the drugs of a learned phisitian, perfumed with some aromatical savour, or to bitter pills gilded over, by which they are

made more acceptable, or less offensive, which, indeed, are bitter and unpleasant to take; and for my own part, were it not for conscience sake to discharge the duty that God hath lay'd upon me, and to maintain his glory, and keep you in safety, in mine own disposition, I should be willing to resign the place I hold to any other, and glad to be freed of the glory with the labours, for it is not my desire to live nor to reign longer than my life and reign shall be for your good. And though you have had, and may have, many mightier and wiser princes sitting in this seat, yet you never had, nor shall have, any that will love you better.

“ Thus, Mr. Speaker, I commend me to your loyal loves, and yours to my best care and your further councils; and I pray you, Mr. Controulour and Mr. Secretary, and you of my council, that before these gentlemen depart into their country's, you bring them all to kiss my hand.”

*Genuine Copy—Collection of State Papers.—
Lord Bishop of Bangor.*

23d March, 1603, 1 Jac. I.—This pedantic and most subtle prince, opened the parliament with a long speech of two hours, but having forgotten to send for the lower House, he came again to the Peers a few days afterwards, and repeated it. Soon after business had commenced, Sir *Robert Wroth*, one of the knights for Essex, moved, “ That *matters of most importance* might be handled;” and

amongst others, “ that *particular and private patents*, commonly called monopolies, should be considered.” A committee was appointed.

5th April, 1604, 2 Jac. I.—In consequence of the House refusing to expel Sir *F. Goodwyn*, who had been duly returned a knight for Buckinghamshire, the Speaker reported that he had been sent for by the King, and amongst other intimidating expressions relative to such knight, the king said, “ he was now distracted in judgment ; therefore, for his further satisfaction, he desired and commanded, AS AN ABSOLUTE KING, that there might be a conference between the House and the JUDGES, relative to the matter of Sir F. G.”

1st May, 1604, 2 Jac. I.—A letter from his majesty to the House, touching their tardy proceedings in the matter of the union with Scotland, read publicly at the board by Sir *Thomas Lake*, standing by the clerk, as one best acquainted with the King’s hand and phrase. It commences, “ Ye see with what clearness and sinceritie I have behaved myself in this carande,” &c. ; and again, “ I proteste to God, the fruites thairof will cheiflie tende to youre owen uell, prosperitie, and increase of strenth and greatnes.”

21st May, 1604.—Sir *Edwyn Sandys* maketh a large report from the committee on the bill “ for all merchants to have free liberty of trade *into all countries*,” as is used in all other countries ;” and “ for the enlargement of trade for his

majesty's subjects into foreign countries." It beginneth thus, "The committees from the House of Commons sat five whole afternoons upon this bill; there was a great concourse of clothiers and merchants *of all parts of the realm*, and especially of London, who were so divided, as that all the clothiers, and, in effect, all the merchants of England complained grievously of the engrossing and restraint of trade *by the rich merchants of London*, as being to the undoing, or great hindrance, *of all the rest*; and of London merchants *three parts joined in the same complaint against the fourth part*, and of that fourth part some standing stiffly for their *own* company, yet *repining at other* companies. Divers writings and informations were exhibited on both parts: learned counsel was heard for the bill, and divers of the principal aldermen of London against it. All reasons exactly weighed and examined." The bill, together with the reasons on both sides was returned, and reported by the committees to the House, where, at the third reading, it was three several days debated, and, in the end, passed with *great consent and applause of the House*, (as being for the *exceeding benefit of the land*) scarce forty voices dissenting from it." (N.B. The houses in those times seldom consisted of less than three to four hundred members).

"The most weighty reasons for the enlargement of trade :

“ **NATURAL RIGHT.** All free subjects are born inheritable, as to their land, so also to the free exercise of their industry in those trades whereto they apply themselves, and whereby they are to live. Merchandise being the chief and richest of all other, and of greater extent and importance than all the rest, IT IS AGAINST THE NATURAL RIGHT AND LIBERTY OF THE SUBJECTS OF ENGLAND TO RESTRAIN IT INTO THE HANDS OF SOME FEW, AS NOW IT IS,” &c.

“ **JUDGMENT OF PARLIAMENT.** The law stands for it; the law of 12th Henry VII. restrained all charters which had their origin in untrue suggestions. It is true, that at the end of that reign such a fictitious charter was again obtained, but those bad men, *Empson* and *Dadley*, the instruments of corruption, were concerned in it. This act then, of Hen. VII. was in force TILL THE REIGN OF QUEEN ELIZABETH.

“ **EXAMPLES OF NATIONS.** The example of all other nations generally, in the world, who *avoid*, in themselves, and *hate* in us, this monopolizing way of traffic; for it cannot be otherwise counted than a monopoly, when so large a commodity is restrained into the hands of so few in proportion, to the prejudice of all other, who, by *law* and *natural right*, might have interest therein.

“ **WEALTH.** The increase of wealth generally of all the land, by the ready vent of ALL the commodities to the merchants at HIGHER rates; for,

where *dear at home*, must *sell dear abroad*. This also will make our people more industrious.

“ **EQUAL DISTRIBUTION.** The more **EQUAL** distribution of the wealth of the land, which is a great stability and strength to the realm, even *as the equal distributing of the nourishment* in a man's body.

“ **STRENGTH.** The increase of shipping, and especially of mariners, in all ports of the kingdom.

“ **PROFIT TO THE CROWN.** The increase of custom and subsidy to the King, which doth necessarily follow the increase of foreign traffic and wealth, and they which say otherwise, will say any thing.

“ **DISSOLVING COMPANIES.** This (projected) act dissolveth no company, taketh away no good government. Those orders in companies, which tend to monopoly, it abrogateth. Orders for necessary contribution to public charges, it establisheth; the rest it leaves as it found them, neither in a worse state nor better. It is weakness to say that a greater multitude cannot be governed; for so, neither Kings in their dominions and subjects, nor cities, in their amplitude, should increase. If for matter of merchandise there were no such government at all, as in France, at Stade, or in the Low Countries, where there are the best merchants in the world, yet provident men would consult and join together in what would tend to the general safety and benefit.

" **AGAINST LONDON.** This act is in favour of London, unless we will confine it to some 200 men's purses. **THE REST OF THE CITY OF LONDON, TOGETHER WITH THE WHOLE REALM,** sue mainly for this bill, and they cry, they are undone, if it should be crossed.

" **INJURY TO THE REVENUE.** The duties can be as well collected at the out-ports as they can be in that of London." N. B. The entry on the journals, superintended by Sir E. Sandys himself.

6th June, 1604, 2 Jac. I.—On the third reading of the bill for "free trade with all the world," the motion, that it should be in force for twelve years, negatived; the words, "**FOR EVER,**" agreed to, and the bill was passed.

5th July, 1604.—The Lords require a conference relative to such bill.

6th July, 1604.—**SIR FRANCIS BACON** returneth from the Lords, and reporteth the conference concerning the bill for "free trade." Moved, and in part agreed, that, being a matter of great importance to the state, some commissioners might be named, to consider of the frame of a bill of that subject against the *next* session. Next day the King *prorogued* the parliament.

2d Session, 5th Nov. 1605.—After this lapse of sixteen months, "Sir George Somers moveth, touching an *incorporation of merchants* (the Spanish company), *since the last parliament, granted by letters patents from his majesty.*" This bill

was ultimately passed into a law. In the preceding evening 36 barrels of gunpowder were found under the House of Peers.

16th April, 1606. In the committee for examining the *innumerable patents* of the crown, and especially that granted to the *Duke of Leneux*, for *searching and sealing*, and which may still be heard of at the custom-house, Mr. Hitchcock, (as council against such grant) remarked, that in all these grievous acts of the crown, they were *tacita conditia*; as they expressed, “so it be, *ad bonum reipublicæ, ad bonum principis*.” Resolved, that such grant to the Duke of Leneux, *was a grievance*.

2d May, 1606.—Sir *Edwyn Sandys* reported from the conference touching the bill for free trade with Spain; remarked, that in the Spanish charter of Henry VIII. there was *no restraint* upon other merchants. This bill was passed into a law.

3d Session, 18th Nov. 1606, 4th Jac. I.—This King, in his speech, alluding to the distresses of his people from the universal monopolies which crown grants had occasioned, said “every man must acknowledge it to be commodious that, with all nations in amity and peace, there should be *freedom of commerce and traffic*.”

23d May, 1610, 8th Jac. I.—The celebrated petition of the Commons to the King, in consequence of his majesty having, both by message and speech, commanded a restraint of speech in debat-

ing, and asserted his right of imposing duties upon the subjects goods, they demand the freedom of speech, &c.

12th April, 1614, 12 Jac. I.—Sir *Wm. Strowde* moved for a bill for free trade, as the Londoners had, during the last session, got a patent through the lord treasurer (Bacon), “to prohibit all officers to make entries of any goods not brought in by that company.”

18th April, 1614. — On the bill, against taxes and impositions of merchants, Sir *Dudley Digges* said, “that when Edward the Confessor got sight of 20,000*l.* collected from Danegilt, his conscience struck him, and commanded, no more should be gathered.”

Mr. *Hackwill* “wished his tongue might cleave to the roof of his mouth, if he did not support and speak to this bill,” &c.

Mr. *Whitson*: “If forty hearts it should have it.”

20th April, 1614.—On the report on the *French Company's Charter*, Mr. *Duncombe* said, that “*free trade was every man's inheritance and birth-right.* That this A VERY WICKED charter, being the undoing of many thousand families of spinsters, weavers, &c.” concluded, “it may be brought in, and cancelled, &c. and their punishment referred to a further consideration.”—Mr. *Serjeant Montague* said, that when London named, he summoned. Speaketh not for the patent. “The law

of *MAGNA CHARTA general for the liberty of merchants in trading.*”—Mr. *Middleton* said that the company would deliver up their patent, but they sought impunity; he moved, “that this patent may be DAMNED.”—Mr. *Whitclocke* said, that in 5 Edward III. Lions and Peach were fined and imprisoned for obtaining licences from the crown.

17th May, 1614. Mr. *Martin*, as council for the Virginia Company, amongst other things, observed, that “if there had been a *present profit* C. Columbus would have been acceptable to Henry VII.” His speech gave such offence that he was the next day, on his knees, reprimanded by the Speaker.

20th May, 1614.—In consequence of the general distress of *the merchants, the merchants adventurers patent*, as ancient as the time of Thomas à Becket, was called in by the House.

6th Feb. 1620, 18 Jac. I.—Mr. *Glanville* on the scarcity of coin. “The mint has ONLY CEASED SINCE THE EAST INDIA COMPANY HAD AN ESPECIAL PATENT TO CARRY OUT COIN. “This company has confidence, they will defend it against all.” Moved “that it should be referred to the committee for grievances, and that the East India Company should bring to it their patent.”

26th Feb. 1620.—On the scarcity of money, Sir *William Hericke* said, “heretofore two millions per annum coined at the mint; *since the East*

India Company up, little." Sir *Edward Coke*, "the East India Company, the chief cause of scarcity of money. *Never leave before to any*, to carry out any money; £100,000 per annum licence: He is not of that company; they intercepted the licence before it could get into that house: the goods *imported* are more than those exported." Sir *Edward Sandys* said, "that £100,000, annually brought in from the West Indies; now nothing." Sir *Edward Gyles*, "the East India Company do not carry the money out of England, but meeteth Spanish money on the way." Sir *Thomas Row* (one of the company, and late Envoy EXTRAORDINARY to India) said that "not £30,000 per annum carried by the company."

25th April, 19 Jac. I.—The bill brought in which gave the free liberty of fishing in Newfoundland; the Virginia Company having abandoned the exclusive right which their charter had given them.

18th Dec. 1621, 19 Jac. I.—A celebrated protestation in favour of their liberties, and an abhorrence of the King's arbitrary conduct this day agreed upon. In the margin, "the King in council, having sent for the Journals, *tore this Protestation out with his own hand.*"—N. B. In these Journals there are numberless omissions and erasures.

24th Feb. 1623, 21 Jac. I.—After a lapse of

14 months, a new parliament was called, and Sir *Edward Coke* moved for a select committee “ to examine the causes of the great want of trade and money ;” “ the exportations, 28 Edward III. *thrice* as much as the importation ; now, it far exceeds the exportation.” Moved “ to have the patents of monopoly brought in to such committee.”

17th March, 1624.—Sir *Edward Coke*, from the committee of grievances, “ that they have condemned the patent of 3d Nov. 18 Jac. to Sir *F. Gorge*, for a plantation in New England, there being a clause in it, “ that no subject of England should visit that coast under pain of forfeiture of ship and goods. *The patentees have yielded.*” Resolved, *una voce*, “ that the clause of *confiscation* is void, and against law ; and that the trade shall be laid open.”

5th May, 1624.—In the debate on the *Merchant adventurers patent*, (which was ultimately effectually expanded) Mr. *Neale* said, that “ more wool and cloth were carried out, by seven times over, in the reign of Henry IV. than since such company were incorporated in the 6th of Elizabeth.”

10th May, 1624. —Resolved, “ that other merchants, besides the merchant adventurers, may trade with dyed and dressed, and all coloured cloths into Germany and the Low Countries.”

19th March, 1623, 21 Jac. 1.—The general com-

mittee for trade ordered, “ that four of each London company should attend and be heard upon their exclusive privileges, and on the scarcity of money.”

3d April, 1624.—Sir *Edward Villiers* (Buckingham) confessed, “ that he had farmed of the King, the customs on gold and silver thread.”

8th April, 1624.—A sight of the books of the merchant adventurers company having been voted, that company, Mr. Solicitor General said, had, as last year, *consulted the King* whether they should comply with the vote of the House? “ The King consents, but only to be examined by a chosen few.”

26th May, 4 Car. I. 1628.—Sir *Edward Coke* (on the report of the *Greenland Company* Committee) said “ that their patents, and the Act of 8th Elizabeth, did not give *exclusive* privileges. And as last year, the company to allow Hull and York 500 tons of shipping, *ad interim*.

1680, Nov. 9, 32d Cha. II.—A petition against the East India Company, &c. from the bailiffs, wardens, and assistants, of the Company of Silk Mercers of London. Mr. J. B. “ This petition branches itself first against the bill that is here a foot, for wearing of woollen; secondly, against the importation of foreign silks from France; and thirdly, against the East India Company. As to the first two particulars, I shall desire leave to speak my mind, when the business comes to be debated in the committee to which you may think

good to refer it ; but as to the third branch, against the East India Company, I desire to be heard a little at this time : for sir, it will be in vain for you to spend your time in endeavouring to raise the price of wool, or advantage the trade of the nation any way, unless you do, in the first place, *make some regulation for the East India Company.* For, not only the silk-weavers, *but most of the other trades* of this nation, are prejudiced by the consumption of goods manufactured in the East Indies, and brought hither : for a great many of them, are not only spent here instead of our own manufactures, but abroad in other parts to which we send them. *They do us the same prejudice,* which must, in the end, be the destruction of our people if not looked after ; and the more likely, because the people in the Indies are such slaves, as to work for less than a penny a day, whereas ours here, will not work under a shilling ; and they have all materials also very reasonable, and are thereby enabled to make their goods so cheap, as it will be impossible for our people here to contend with them. And therefore, because the said trade hath abundantly increased of late years, that we may not enrich the Indians and impoverish our own people, I humbly move that this petition may be referred to some committee that may take particular care of it.

Mr. J. P. The navigation to the East Indies being by the industry and long experience of our seamen,

rendered as safe and secure as to any country adjacent, and the trade increased to a great proportion, *by such a dangerous way as the exportation of our bullion, and importation of abundance of manufactured goods, and superfluous commodities,* and carried on by *a few men incorporated,* who have made it their business, *by all ways imaginable,* to secure the advantages thereof *to themselves and their posterities, not permitting the people in general to come in for any share;* I humbly conceive it not to be unseasonable to give you a short scheme of that trade, and to make some remarks, as well on the trade, as present management thereof; it being settled in a company, by virtue of a charter granted in 1657, and confirmed by his Majesty soon after his restoration.

Sir, it is well known what advantage redounds to this nation by the consumption of our manufactures abroad and at home, and *how our forefathers have always discouraged such trades as tended to the hinderance thereof.* By the best computation that can be made, we now spend in this kingdom per annum, to the value of 2 to £300,000 worth of goods manufactured in the East Indies. What part thereof are spent, instead of our stuff, serges, cheyneys, and other goods, I leave to every man's judgment, that hath observed how their Persian silks, bengals, printed and painted calicoes, and other sorts, are used for beds, hanging of rooms, and other vestments of all sorts. And these goods from India, do not only hinder the

expense of our woollen goods by serving instead of them here, but also by hindering the consumption of them in other parts too, to which we export them, and by obstructing the expence of linen and silks, which we formerly purchased from our neighbour nations, in return of our manufactures. For when that mutual conveniency of taking of their goods in return of ours failed, it is found by experience, that our trade in our manufactures is failed also. And, Sir, this is not only at present a great, but a growing hinderance to the expence of our woollen goods; for, as it hath been observed to you, as the Indians do work for less than one penny a day, and are not without materials at cheap rates, we may rather tremble to think, than easily calculate, *what this trade may in time amount to, and may conclude that it must certainly end in employing and enriching the people of India, and impoverishing of our own.* But Sir, this is not all: this trade is carried on *by the exportation of 5 or £600,000 per annum in bullion*, which is so useful a commodity, as ought not to be exported in so great a quantity, especially seeing the exportation thereof, for this trade hath increased in some years from 2 to £600,000. *For it may increase to millions, to the discouragement of the exportation of the products of our country upon which the maintenance of our poor and rent of land depends.* Whereas by the exportation of so much bullion, no immediate advantage redounds to the nation, and though it is usually affirmed that the

trade brings back to the nation as much money as it exports, yet, upon an enquiry, it will be found a mistake. And I think every nation, but especially this, which is so well stored with other commodities for trade, *ought to be very jealous of one carried on by the exportation of their gold and silver*, and to be very careful how to allow it; *it being dangerous to make that, WHICH IS THE STANDARD OF TRADE, merchandise itself*. And as these objections arise against the trade itself, so there are others against the present management, of which, the people do complain, *as a great grievance*, and I humbly conceive, not without good cause. For the **EQUAL DISTRIBUTION OF LIBERTIES AND PRIVILEGES** amongst the people, which is one of the *excellencies* of the government, *is by this company highly infringed*: a *very few* of the people being permitted to have any share in this trade, though *it be now increased to near one quarter part of the trade of the nation*:* the company finding it more for their particular advantage to take up from 6 to £700,000 on *a common seal*, to carry on their trade, than to enlarge their stock, thereby reaping to themselves, not only the gains which they make *on their own money*, but of the *treasure of the nation*, allowing to them that lend, 4 or 5 per cent., and *dividing* **AMONGST THEMSELVES WHAT THEY PLEASE**; which now,

* What shall now be said, when they are in possession of the whole European Indian commerce, only excepting a few Portuguese ships?

within these last twelve or fifteen months, hath been NINETY PER CENT. And upon an exact enquiry, it will be found, that this stock is so ingrossed, that about ten or twelve men have the absolute management, and that about forty divide the major part of the gains, which, this last year hath been some to one man one, and some 20,000*l.* a piece: so that here is the certain effect of a monopoly, *to enrich some few and impoverish many.* It's true, there is such a thing as buying and selling of some small shares in the stock sometimes, if any man will give 300*l.* in money for 100*l.* stock; but this amounts to no more than the exchanging the interest of John Doe for Thomas Rowe, and can be no ways serviceable to bring in more *stock* or *people* into the trade, and therefore not to satisfy the complaint of the nation. Sir, that you may the better apprehend how unreasonable it is that this great trade should be thus confined to the advantage of so few persons, *exclusive to all others*, under the *penalty* of mulcts, fines, seizures, and other *extraordinary* proceedings; I beseech you, Sir, to cast your thoughts on this great body here by you, (the petitioners) and the rest of the corporations of this nation, who most live by trade, and consider how many thousands, if not millions, whose lot providence hath cast on trade for their livelihoods; and then, I am apt to believe, *it will appear very strange*, that so great a trade should be so limited. IF THREE SUCH

CHARTERS more, should be granted, what should the *major part* of the people do for maintenance?

Sir, the BIRTHRIGHT of every Englishman is always tenderly considered in this place: BY THIS COMPANY, the birthrights of many thousands are prejudiced, and may well deserve a serious consideration; and therefore, because this company, BY HAVING THE COMMAND OF THE TREASURE OF THIS NATION, cannot be CONTROLLED by any less power than that of a House of Commons, this business comes, as I humbly conceive, naturally before you. But Sir, there is one thing more in the management of this trade worthy your consideration. The great danger which may result, as well to PRIVATE persons as to the PUBLIC, by taking up such an IMMENSE TREASURE ON A COMMON SEAL. Sir, we all know what happened some years since, by the bankers taking up such great sums on their private seal. But I hope you will take this affair into your speedy consideration."

Mr. W. L. "Sir, By the account which hath been given you of the East India trade, I doubt not but you are sensible, how that it will, in time, ruin a great part of the trade of our manufactures, if not prevented. The East India Company have been very industrious to promote their *own* trade, but therein have given a great blow to that OF THE NATION. The Indians knew little of dyed goods, or ordering them so as to be fit for our European markets, *until the Company sent some Englishmen to teach them, which, I am afraid,*

this nation will have cause to repent hereafter. For, the cheapness of wages and materials in India must enable them to afford their goods cheaper than any we can make here, and therefore, it is probable the trade will increase prodigiously, which may be a good motive for you to take into your consideration, that part of it in which the consumption of our manufactures is concerned. They have already spoiled the Italian and Flanders trade with their silks and calicoes, now they will endeavour to spoil the Turk's trade, *by bringing abundance of raw silk from the Indies; so that, 'ere long, we shall have no need of having silk from Turkey, and if not, I am sure we shall not be able to send any CLOTHS or other goods THERE.* And it cannot be expected that the Indians should grow weary of *exchanging their manufactured goods for our GOLD AND SILVER*, nor the Company of the *great gains* they make by this trade; and therefore, unless prevented by your care, the trade will go on to your prejudice, *the Company having been INDUSTRIOUS to secure themselves against all other attempts, by NEW YEARS GIFTS, EMPLOYING OF SOME MEN'S MONEY AT INTEREST, and, getting others into the Company, and then, chusing them of the Committee, though they understood no more of trade than I do of physic; ALSO NAMING OF SHIPS BY GREAT MEN'S NAMES*, IS MADE USE OF FOR THE SAID PURPOSE, and OATHS which*

* As at present—the Lord Melville—William Pitt—Lord Castlereagh—Lowther Castle, &c. &c.

they IMPOSE ON ALL persons they employ in ANY BUSINESS OF IMPORTANCE, so that THERE IS NO ORDINARY WAY LEFT TO REACH THEM."

Resolved, " that such petition be referred to the grand committee for trade, and that they proceed upon the same in the first place, &c."

Note. These speeches from a very scarce book. No debates were fairly transmitted to the public, until about the year 1730. The King however, (Cha. II.) who had been recalled, and received with extravagant congratulations, after a miserable, helpless banishment, and had received greater supplies in twenty years than had been bestowed on all the Kings from William I., *dissolved* this parliament as abruptly, as he had a few months before done, the preceding one; and chiefly on account of a resolution of the Commons, declaring, " DIVERSE EMINENT persons to be enemies to the King and kingdom."

1691, 1st Dec. 3 Will.—A petition from the clothiers of Gloucestershire that, " they were starving owing to the stagnation of the woollen trade."

4th Dec.—Petition of *Richard Blackham*, citizen and merchant of London, stating, " that the Turkey Company had refused to admit him of their Company, on account of his having exported a great quantity of woollens; consequently, a great stagnation in the exportation would arise if he were not admitted."

11th Dec. 1691.—Resolved, “ that Rich. Blackham be introduced in the Turkey Company, and that it *disannuls a certain bye law.*”

17th Dec. 1691.—Act passed, “ that West India produce should *no longer be exclusively landed in England only.*” Petitions, stating “ the *most flagrant bribery* at the elections at Chippenham,” &c. &c.

6th Jan. 1693, 5 Will. & Mary.—Sir T. Cook presented to the House *several* charters formerly granted to the East India Company, and a list of them.

19th Jan. 1693.—Mr. Papillion, from the committee of the whole House, on the erection of a new East India Company, reported :—“ Resolved, that it is the opinion of this committee, that *all* the subjects of England have equal right to trade to the East Indies, *unless prohibited* by act of parliament.” The House agreed.

24th Jan. 1693.—A petition from the clothiers and others, concerned in the woollen trade in the north, “ complained of great decrease and impoverishment, *since the act expired* for a free trade to Flanders, Germany, and Holland.”

13th Feb. 1693, 5 Will.—Duties laid on births, funerals, marriages, and on single persons.

15th Feb. 1693, 6 Will. & Mary.—A petition of the mayor and inhabitants of Exeter, stated, “ that from the many buyers which a free trade presented, the distress of the woollen manufacturers was

great, since the Royal African Company had been established. They prayed for a free trade again."

2d March, 1693.—Mr. *Harley* reported from the committee, to examine the petitions for and against such company, "that they did not desire all that tract of land within their charter, but were willing to leave out the *greatest part* of that to any others to trade in, and should be very well satisfied, if they might be enabled, by act of parliament, to trade from Cape Lopez to Cape Blanco, exclusive of all others, viz. from 21 deg. N. to 2 of S. latitude, say 23 deg. of latitude."

24th March, 1693.—King's speech, demanding money for transports for Ireland. Sir *Thomas Lyttleton's* motion, that 600,000*l.* should be lent the public by the East India Company was negatived, and a *poll-tax* agreed to. The motion that 25*s.* per annum should be paid by those who kept coaches, was negatived, although a licence of 100*l.* (for 21 years), on hackney and stage-coach-keepers, was agreed to.

7th Dec. 1693, 5 Will. & Mary.—A petition of several merchants and others, in and about the city of London, stating, "that as the trade to the East Indies was in a manner wholly lost and fallen into the hands of our neighbours, prayed for the erection of a new company for the recovering of such trade, and making it *as national and diffusive* as to the House shall seem most meet." Resolved, "that on the 13th instant this House will resolve

itself into a committee;" and ordered, " that the East India Company do lay before this House their new charter."

14th Dec. 1693.—A petition from the drapers and other traders in India goods, stated, that such trades were almost lost to this kingdom, and submitted, whether *a new* company, *or all*, to be equally permitted to trade to India.

30th Dec. 1693.—A petition of the owners of the ship Redbridge, stating, " that having obtained a licence from the *Queen* to trade to Alicant in Spain, said ship was detained on the allegation of the East India Company, that such ship was destined to parts within the limits of their charter."

Same day, Sir *Thomas Cook*, governor of said company, laid before the House the two charters, 13th Car. II. and that of 11th of Nov. 1693.—Ordered, " that the governor, or deputy governor, do lay before this House, ALL THEIR CHARTERS, and a true state of their present stock, debts, &c."

8th Jan. 1694.—The committee resolved, " that the stopping of the ship Redbridge is a grievance, a discouragement to trade, and contrary to the known laws of this kingdom."

19th Jan. 1694, 6 Will. III.—A petition of several merchants and traders of London, on behalf of themselves and others, setting forth, " that by an act, made the last session of this parliament, for granting to their majesties a duty upon the tonnage of ships, &c. and by virtue of their majesty's let-

ters patents, in pursuance of the said act, a corporation of *the Governor and Company of the Bank of England* is established, to receive and manage the sum of 1,200,000*l.*; which said bank, *as the same is*, and MAY BE managed, *is ruinous and destructive to trade in general, injurious to his majesty's revenues, prejudicial to the lands and manufactures of this nation, AND IS ONLY A PRIVATE ADVANTAGE TO THE SAID CORPORATION.*" Resolved, " that this House will consider and hear the petitioners at the bar of this House on Tuesday next; and the governor and directors to have a copy of this petition, and be heard also."

22d Jan. 1694.—The petitioners offered their reasons and objections in writing, or to be heard by counsel. Objected to, 164 to 107.

7th Feb. 1694, 6 William III.—A petition of merchants, ship-owners, and many thousands of others, complaining, " that contrary to the act of navigation, (12th Charles II.) great quantities of foreign merchandise were imported," &c.

7th March, 1694.—The House being acquainted by Mr. Gee, a member, " that another of that House had *received money* for the passing of a bill, ordered certain individuals to attend; and that a committee inspect the books of the East India Company IMMEDIATELY; and to have power to send for persons and papers. The like, for the books of *the Chamberlain of London.*"

9th April, 1694.—A petition of London mer-

chants, and others on the coasts, states, “ that the 43 ships, as escorts to trade, had not been appointed;” and then stated their extraordinary losses, by captures, by the French.

17th Dec. 1694.—A petition from Bristol, complaining that the productions of the British American plantations were frequently landed in Scotland and Ireland, contrary to the act of 22 and 23 Car. II.

12th May, 1695, 7 Will. III.—Mr. *Foley*, from such committee reported, “ that as soon as they came to the East India House, understood some clerks of the company, by order, had lately taken out of their books an account of all money paid for the SPECIAL service of the company, beginning in the year 1688 £1,284

1689 2,096

1690 3,056

1691 11,372

1692 4,659

1693 80,468

1694 4,075

£.107,010

Upon the committee observing, that the greatest payment was in 1693, they searched for the orders for the issuing of that money, and found one dated 13th April, 1693, as follows: “ The governor this day acquainting the court of committee with what proceedings had been made in their affairs, towards granting *a new charter*, and with what had

been *disbursed by him in prosecution thereof*, THE COURT APPROVED OF THE SAID CHARGES, AND ORDERED A WARRANT TO BE MADE OUT FOR THE SAME; RETURNED HIM THANKS FOR HIS GREAT CARE, PAINS, AND TROUBLE IN THEIR SERVICE, AND DESIRED HIM TO PROCEED IN THE PERFECTING THEREOF." Another in similar terms, dated 24th Nov. following, and another of 22d Jan. 1694. The committee then proceeded to examine the balance of cash appearing on the cashier's books, which they found 124,249*l.* 15*s.* 10*d.* Of this, however, the cashier said he had lent the Governor Sir T. Cook, 90,000*l.* on the following note: "Received 10th Jan. 1694, for account of the East India Company 90,000*l.* which I have disbursed and paid for 99,197*l.* stock of the East India Company, for their account, which I promise to be accountable for account of the East India Company, and WAS, BY ORDER OF COURT OF THE 24TH Nov. 1693."—The committee do observe, that they do not find any warrant for the said sum, or any of that stock, transferred in the company's books for their account, excepting 18,000*l.* the 15TH JAN. LAST. The committee also discovered a *strange contract* for the bringing home, in the ship Seymour, 200 tons of saltpetre, the result of which was "that the company runs the adventure of 12,000*l.* for that which costs only 2000*l.* and must lose 12,000*l.* if the ship miscarries; and, on the contrary, the *seller*

*gets 10,000*l.* clear, without disbursing or running the hazard of a penny; and what is yet more, a certain loss of 9 or 10,000*l.* to the company if the ship arrives in safety."* The members of the company admitted this transaction with a Mr. T. Colston.

The committee found that Sir T. Dashwood, Sir John Fleet, John Perry, Esq. Sir Joseph Herne, Sir Thomas Cook, all members of this House, were present at the courts when such orders and warrants were issued. But Sir B. Bathurst, one of the East India committee, having interrogated Sir T. Cook, got for answer, that he was bound to keep the company's secrets; and that the 90,000*l.* he had received, WAS TO GRATIFY SOME PERSONS IN CASE THE BILL SHOULD PASS." Upon the committee examining the books of the Chamberlain of London, they found the following: "Paid 22d June, 1694, by order of the committee appointed by the common council, to consider of ways and means FOR SATISFYING *the debts due to orphans, and other creditors of the city, and to solicit the parliament for a bill to that purpose, dated the 12th Feb. last, one thousand guineas* being paid to Sir John Trevor, *Knight, Speaker of the honourable House of Commons, pursuant to said order, which, at 22*s.* exchange, is 1100*l.*"*

Resolved, "That Sir John Trevor, (sick and absent) having received such gratuity of a thousand guineas, is guilty of a high crime and misdemeanor." Sir John Trevor pleading *sickness, &c.*

Mr. *Foley* was nominated speaker in his place on the 13th March, 1695, following.

18th March, 1694.—“ Resolved, that whoever shall discover money, or any other gratuity, offered to any member of this House, shall be indemnified,” &c.

26th March, 1694.—Sir *Thomas Cook*, a member of the House, refusing to state to whom he had paid the 87,409*l.* 12*s.* 3*d.* disbursed, was sent to the Tower, and a bill brought in to *oblige him to account for it.*”

28th March, 1694. Mr. *Colston* laid before the House the contract and bond for the 200 tons of saltpetre.

30th March, 1695, 7 Will. & Mary.—General petitions from the counties of Somerset and Gloucester, complaining “ that the Royal African Company did, contrary to its charter, sell the imported red wood at *private*, and not at *public* sale.”

22d April, 1695.—An act passed “ to indemnify Sir T. Cook from actions arising from his intended disclosure of persons receiving secret service money.”

22d April, 1695.—The King’s message, requiring the two House to *expedite* business, “ as the season was so far advanced.” Same day the joint committees of the Houses, for India investigation, were nominated. In the Commons, the bill relative to the examination of Sir *T. Cook*, passed, 112 to 86.

24th April, 1695.—Sir Thomas Cook examined in the Exchequer Chamber. “ He was anxious to have his liberty as soon as his interrogatories were over.” Refused. “ He proceeded to state that large sums were advanced out of his own pocket, as the company’s treasury *was exhausted*; that 22,000*l.* was paid to a Mr. Richard Acton, who had several friends *who would speak to parliament men*. He knew not their names, but the end aimed at was *to get an act of parliament*, for at that time the King had sent a message to the House, *to settle the East India Trade;*” AND THERE WAS A BILL IN THE HOUSE FOR A NEW COMPANY. “ Monies were also paid to Sir Josiah Child, Mr. Molineux, Sir Basil Firebrace, Lord Rivers, Duke of Leeds, Mr. Fitzpatrick, *(who kept the money)*.” Never was there such a scene of VILLAINY and CORRUPTION. In brief, after the charter was obtained, all the pecuniary promises were performed.

26th and 27th April, 1695.—The examinations of Sir B. Firebrace, &c, continued. He declared that “ he paid 2500*l.* to some persons of HONOUR, after the RESTORATION of the charter, and 3000*l.* after that, for the REGULATION of the company. They found great stops in the business of the charter; they apprehended it proceeded sometimes from Lord Nottingham, then from others. That Colonel Fitzpatrick received one thousand guineas on the same terms as others, if the charter

passed ; he pretended great interest with Nottingham, and that through Lady Derby, he could ascertain THE QUEEN'S PLEASURE. Fitzpatrick thought that Nottingham would require 5000 guineas upon passing the charter, and the same on the act of parliament. The business also stuck with the Duke of Leeds, who appeared to have more offered by the other side. After a *snug* negotiation, however, *his grace* was to have 5000 guineas, and Bates (the agent to him) 500."

After Mr. Craggs (committed and brought from the Tower), Acton, &c. had laid before the committee A SERIES OF THE MOST NEFARIOUS PRACTICES, Mr. Bates deposed, " that he did use his interest with the lord president, who said he would do what service he could ; and further said, that the lord president had delivered his opinion publicly, and thought the *forfeiture of it a hardship*. That the lord president had often shewed himself *his friend*. That he received three notes for 5500 guineas in the whole. That he sent a servant to receive the money, but cannot say the time. *That he told my lord president what sum he had*, and would have pressed it upon my lord, but he refused it, whereupon this deponent, *in regard he could not tell money very well himself, did ask leave of my lord that his servant might tell the money* ; to which my lord made answer, HE GAVE LEAVE, and accordingly MONSIEUR ROBERT DID RECEIVE THE MONEY."—Mr. Bates then pro-

ceeded to prevaricate, saying that *M. Robert* did soon afterwards return him the money; he ultimately confessed, that 4400 guineas were brought by *M. Robert* to his house, ABOUT A MONTH AGO, and that he had returned them to *Sir B. Firebrace* ON MONDAY OR TUESDAY LAST, (viz. 17 months after the charter was obtained). He had also paid *Sir John Trevor*, the speaker, 200 guineas AS A NEW YEAR'S GIFT." The House resolved, "that it appears to this House, upon the report of the committee, &c. that there is sufficient matter to impeach *Thomas Duke of Leeds*, president of his majesty's most honourable privy council, of high crimes and misdemeanors." "Ordered, that *Mr. Comptroller* do go to the bar of the Lords, and in the name of all the Commons, &c. and impeach said Duke of Leeds." But before it could be done, his grace appeared at the bar, had a chair offered him, and rising and uncovered, made a speech, NOT REPORTED. On his retiring, a committee was appointed to manage the impeachment. The two Houses also resolved, "that the discoveries of *Sir T. Cook*, *Sir B. Firebrace*, *Charles Bates, Esq.* and *James Craggs*, were not satisfactory; and an act was brought in to continue their imprisonment, AND RESTRAIN THEM FROM ALIENATING THEIR ESTATES."—The articles of impeachment of the Duke of *Leeds* then follow; amongst others, "that he or his servants did actually receive the 5500 guineas."

30th April, 1695.—Sir T. Cook wrote from the Tower, that, if he was sent for by the House, he would make **FURTHER DISCOVERIES**. Same day the Duke of Leeds' answer to the impeachment, sent from the Lords, "that he is not guilty," &c.

1st May, 1695.—Message from the Lords, "reminding of the impeachment; and as the *session* was likely *soon to end*, wished to know when the Commons would be ready to make good their charges."

2d May, 1695.—Mr. Comptroller stated, that a principal evidence, *M. Robert*, had left the duke's lodgings in St. James's, for Mimms, "but, on enquiring for him there, **HE COULD NOT BE FOUND.**" Ordered, "that *M. Robert* do attend this House." Same day, the amended bill, &c. for imprisoning Sir T. Cook, &c. was sent from the Lords, and they demand a conference. Afterwards, the Chancellor of the Exchequer reported the result; it concludes, "that the Lords conceive, that if their persons as well as their estates, be not, with the strictest care, preserved for the justice of *a future session* of parliament, all further enquiry into so **FOUL CORRUPTION**, will be wholly ineffectual."

3d May, 1695.—Mr. Comptroller reported, that *M. Robert* had been seen once in the street, **BUT COULD NOT BE HEARD OF.**

Same day, *whilst the report* on this remarkable business was *reading* in a committee of the whole House, King *William* sent for the Commons to

the upper House, and after a speech, (not reported) *prorogued* the parliament. It was soon afterwards DISSOLVED, and the new one met on the 22d of Nov. following. Thus ended investigations and impeachments!

14th Dec. 1695, 7 Will. III.—The two Houses agreed upon an address to the king: that, “taking into consideration the difficulties and disadvantages which the trade of this kingdom is subject to, do find that an act of parliament hath *lately* received your majesty’s royal assent in your kingdom of *Scotland*, for erecting a company trading to *Africa and the Indies*. That this act, amongst other privileges, provides that the ships, merchandise, &c. of such company, shall be free from all *restraints, customs, duties, taxes, &c.* imposed, or to be imposed by act of parliament, for the space of 21 years.

“That the said company shall be individually free from quartering of soldiers, and all manner of impositions, &c. for such term, by reason of which *great advantages*, granted to the Scotch East India Company, and the duties and difficulties that lie upon that trade, in England, a great part of the stock and shipping of this nation will be carried thither, and by this means Scotland be made a free port for all East India commodities; and, consequently, those several places in Europe, which were supplied from England, will be furnished from thence much cheaper than can be done by the English.

Moreover, the said commodities will unavoidably be brought by the Scotch into England, by stealth, both by sea and land, to the vast prejudice of the English trade and navigation, and to the great detriment of your majesty in your customs ;” and again, “ besides these, your majesty has promised to interpose your authority to gain restitution, &c. for any damage, &c. that may be done to the property or persons of such company ; seeming thus to engage your majesty to employ the shipping and strength of *this* nation, to support this new company, to the great detriment even, of this kingdom,” &c.

17th Dec. 1695.—A petition from the *English East India Company*, stating, the dangers to be apprehended from such *Scotch* company, “ as, by the charter, they had paid 300,000*l.* sustained great losses,” &c.

Same day, a committee appointed “ to examine what methods were taken for obtaining the act of parliament passed in Scotland, who the subscribers, the promoters, and advisers.”

21st Jan. 1696.—A petition of the merchants, grocers, &c. of London, stated, “ that FORMERLY the East India Company imported all manner of spices, but now the whole spice trade (with the exception of pepper), was in the hands of the Dutch,” &c.

Same day, a petition from the *East India Company*, stating, “ that divers ships were fitting out

in England, apparently under the auspices and protection of the *Scotch East India Company*," &c.

Same day, Colonel *Granville* reported from the committee, " that Lord *Belhaven* held the book of subscriptions for such Scotch Company, amounting to 300,000*l.*; that he administered an oath, *de fidei administratione*, to the directors; that Mr. *Glover*, an Englishman, had subscribed, because BETTER than that the trade should be conducted by FOREIGNERS. That one-fourth, viz. 75,000*l.* was to be lodged in the EXCHEQUER, in order to secure the obtaining of the act, through the medium of a Mr. *William Patterson*." The House finally resolved, " that the directors of the company of Scotland, trading to Africa and the Indies, administering and taking here, in this kingdom, an oath, *de fidei*, is a high crime and misdemeanor." Also, " for raising money in England." Also, that Lord *Belhaven*, and 21 others, be impeached, &c.

3d Feb. 1696.—In consequence of GENERAL petitions complaining of the great distress from the scarcity of coin, and discount of 16 to 18 per cent, on Bank of England paper; and especially one from Exeter, " praying, that some ways and means may be found out to ENABLE THE BANK OF ENGLAND TO PAY THEIR BILLS, AS FORMERLY THEY HAVE DONE!"

The house resolved, " that the Bank of England be enlarged by new subscriptions."

10th Feb. 1696.—A petition from Norwich, stating, " that since the East India Company have been under some discouragements, their manufactures of worsted stuffs and silks mixed with wools, were becoming again prosperous, and prayed that the introduction of wrought silks, Bengals, and calicoes, &c. may be restrained."

13th Feb. 1696, 8 *Will. III.*—A petition of London merchants and traders, stated, " that owing to the badness of silver coin, some men had taken occasion to raise guineas to 30s. a piece, consequently the Dutch were collecting them on the continent, and importing to an advantage of 40 per cent. &c."

18th Feb. 1696.—King William sent a message, " finding himself under very great difficulties for want of money ; desires speedy care may be taken to make effectual provision for it."

28th Feb. 1696.—A petition from Canterbury, similar to that from Norwich. Same day, petition from Jamaica, Virginia, and Maryland, praying, " that the African Company's trade may be an open one."

7th March, 1696.—Sir *Henry Hobart*, from the committee of trade, reported, " that Canterbury, Norwich, and the counties of Suffolk and Cambridge, had employed an immense body of people in manufactures previous to the introduction, by

the East India Company, of wrought silks, dyed, printed, or stained callicoës," &c. The House then resolved "to bring in a bill to restrain the wearing of such foreign goods."

15th March, 1696.—A very interesting report of the Committee to investigate the enlargement of the Bank capital. "The governor, &c. were directed by the General Court to say, that they could only consent to be GRAFTED upon, when this house will engage to make good any deficient funds, (from taxes,) which they were expected to pay by anticipation."

20th March, 1696, 8 William.—Mr. Boscawen, from the committee appointed to investigate the petition of the tinniers of Cornwall, reported,— "that of *late years* GREAT QUANTITIES OF TIN had been IMPORTED from INDIA;" whereas, formerly, *none at all*, &c.

2d April, 1696.—A petition of divers merchants, &c. stating, that as the East India Companies were regulating by the House, they might be permitted to export such goods as the company did not export, to "*those vast tracts of land within the Company's Charter, wherein are neither forts nor factories, and have been shut up from the industry of such as are inclinable to attempt the discovery of new and profitable trades to the nation, where vent might be found for considerable quantities of our manufactures, and this without any injury to the said Company,*" Petition received, 103 to 101,

5th May, 1696, 8 William.—A grant to the Duke of Portland of the manor of Grantham, and twelve others.

“ Great riots amongst the weavers. Symptoms of corruption both *within* and *without* the house.

7th Nov.—Motion that the Bank of England should annually lay their debtor and creditor before the house, *negatived*.

18th and 20th Nov. 1696.—Petition from Dartmouth and Poole, stating, “ that in consequence of the want of convoy and protection, the French had completely ruined the English interest in the fishery of Newfoundland.”

30th Nov.—Petition from Cirencester, stating “ the complete stagnation of their woollen trade, and that, the town had long had quartered upon the inhabitants, the Marquis de Puizar’s *foreign* regiment, whom they had sustained, *and also paid—from fear.*”

11th Dec. 1696.—A petition of London merchants, praying, “ that the African Company may not have exclusive rights, but that all persons may have free liberty to trade to Africa on such terms as in the Turkey Company, (about 40s.) and which would prove of great national benefit,” &c.

17th Dec. 1696.—Another petition, praying, “ that all may be introduced into the Russian Company, on paying fines, as in the Hamburgh and Eastland Companies; for, the vast extent of

territory in such charter, granted 8th Elizabeth, presents great advantages from a general participation.

21st Jan. 1697.—A tumultuous crowd of people filled Palace-yard, Westminster-hall, the lobby, &c. “ in order to press the passing of the bill to restrain the wearing of Persia and India silks and calicoes.”

27th Jan. 1697.—The committee appointed to examine the complaints against the Russia Company, report that the governor produced the original charter of 1 and 2 Phil. and Mary, reciting, that the Marquis of *Winchester*, and others therein named, had, at their own adventure, fitted out ships, “ for discovering new and profitable trades to the nation, where other CHRISTIAN princes had never traded.” The charter of 8 Elizabeth, did also, in addition to prodigious privileges, grant such company right to extend their operations to Armenia, Media, Hyrcania, and Caspian sea. They proceed to state, “ that the company’s trade was still confined to Russia already known,” &c. The House resolved “ that ALL PERSONS, on paying 40s. as in the *Hamburgh* and *Eastland* Companies, should be admitted into the *Russian Company*.”

29th Jan. 1697.—Mr. Norris, from the committee to investigate the cause of the tumult on the 21st instant, stated, “ that it arose from a general idea that many members of the House had

received money, in order to hinder the bill restricting the wear of Persian and Indian silks, &c. from passing." In examining the evidence it appeared, through a Mr. *Glover*, that the East India Company, by their agents, the London drapers had exercised **THEIR USUAL** vigilance and activity.

9 *William*, 1697.—Ordered, that all the charters granted since the 2d Charles II. should be laid before the house.

19th *June*, 1699, 11 *William* III.—Petition of the Old East India Company, stating, " that by charters they have been long incorporated—have great property in estates, and great privileges in India—but in 1693, advantage was taken by *their non-payment* of a tax, charged upon their whole stock, because that the 25th March, being a holiday, the Exchequer was not open; yet *this was insisted on as a forfeiture* of the petitioners charter. Nevertheless, his Majesty granted them the same year, at two several times, new charters, with all the former privileges. And by another, granted 28th September, 1694, it was declared, " that if it should be made appear to *their Majesties*, (*William and Mary*,) that such were *unprofitable to their Majesties, or the realm*, then, after three years, warning, the said letters patent were to cease, and the Company to be no longer a Corporation. They then pray of the Parliament to be

continued (re-instituted) a Corporation.” And a bill was ordered accordingly.

27th Jan. 1699, 11 William.—Petition of the *New East India Company*, stating, “that they had loaned two millions to the public, and complained of such petition of the *Old Company*; as, by the terms of their own contract, such old Company were to have ended their labours on the 29th September, 1701.”

“Ordered, that council for *each* Company be heard at the bar.”

Extract from King William's second discourse to his Cabinet Council.

“I find it as easy to mingle fire and water, as to reconcile the difference between the church of England and the Presbyterians,” &c. — “How shall I deal with the Parliament, and particularly with the House of Commons? They have already called me to account, and are dissatisfied with it. *They were in a hot scent after my pensioners, without whom, I shall never get a competency of money;* and though I endeavoured to put them out of that conceit, and told them that those great sums of money which were given them, were not given to them as pension or salary, as Parliament men,—but for SECRET SERVICE,—not fit to be divulged, yet they see this was but a *forced put off*.”

“My bare denial that, they were my pensioners to raise me great sums by over voting, will not

serve the turn, for they knew before hand it had been a madness for me to confess it ; and my saying it was for secret service relating to the public, not to be divulged, is but a blind amusement, rather a kind of tacit confession of what that they *more* than suspected.

“ This makes me fear they will look more narrowly into that business, which may undo all. I fetched off Seymour, and other stickling commonwealth’s men, by giving them offices ; but there is a stiff party amongst them, so true to the good of the commonalty, that *no kindness* can warp them ; and my gratifying those who aimed at their advantage, by opposing the court party, the more confirms them in their opinion of my proselyting the members to my side, to betray the trust imposed in them by the Commons who elect them.

“ I dare not venture to dissolve this Parliament and call another, for that will lose much time, and *present* supplies are necessary, that we may be early in the field. Besides, I have reason to fear that the *new* one may be *worse* than *this* ; especially the new members will ask me to *model* them ; whereas I have already in this a party, which, with *much money and policy*, I have rendered *pliable to my will!!*

“ Again, what must I do with the confederates ? England is too poor to supply them as formerly ; and ’tis now so well known, that, notwithstanding *all their* assistance, France still grows upon

us, that they are satisfied it will be to little purpose to carry our men and money out of England, to help them who *do not much for themselves*. To tell you the truth, some of them are so backward, and they are in so many minds, that nothing can be much hoped for from them. This makes men begin already to talk of *leaving them off*, and strengthen England by sea and land; by which means we may assault France upon the coasts, and make a great diversion, which may perhaps be in a manner equivalent to my assisting them in Flanders. This is the best way to get me money, but then, 'tis to be feared, that I shall lose my interest in Holland, and that should the French take some towns of theirs the next campaign, the discontented and impoverished people there (whom I did what I could to *cajole* last year with the hopes of a sudden peace,) will force them to put an end to the war, and come to conditions with France, especially if Sayoy (as I much fear) breaks the confederacy.

“ Nay, there wants not a great party there, who (did not my influence hinder it) would be willing to embrace peace, were it for nothing else but to *exclude* me from being their Stadtholder, which office, for many reasons I must not force. This is a nice point, and I desire you to think of it accordingly. Take this along with you, that there is a great FACTION of *shrewd* men in England, who are highly disgusted, that out of my *ambition* (as

they account it,) to make myself *generalissimo* and *cock* of the confederates, I have spent England twenty-two, or twenty-three millions, and, for the better half, transported, to the great loss of the nation; whereas, *less* than half as much had built us such a navy, and maintained such an army, as would have *defended* England against *all* her enemies, and yet (the money *circulating here at home*) not much impoverished it.

“ This is a deadly blow to my *honour* and *credit abroad*, which (against all events) it highly concerns me to maintain, and will *strike deep* into my interest—and what *fence* can you find to ward it?

“ And since I despair of money enough to *bribe* my confederates, and give *full pay* to my soldiers and seamen, I would desire your judgment which *of them* I should prefer, and which postpone—seeing the latter grumble already for their arrears; and the former, if I withdraw my *giving* hand, will *fall off*.

“ The last point which I recommend to your best consideration, is, what course I am to take, in case the Parliament, sensible of how little we have done in Flanders this last campaign, should refuse to give me money sufficient to carry on the war there the next summer, without which you see all will be lost?

“ To tell you my thoughts upon the matter, I think my best expedient is to agree with the *statcs*

and other *foreign confederates* to let me bring over Dutch and other out-landish soldiers, and leave English and Scotch behind them to the same number, by this means, I shall at once overawe Ireland by my *own subjects* there, and England by foreigners here, and either make them give me what money I want, by way of Parliament, or else *set up my title of conquest*, and take it *where I shall see fit*.

“ This is, I see, feasible, for I am not to value the *disgust* of the nation, when I do no longer *fear* it; nor need I any longer *debase* myself by *intreating* them for supplies, when I may *command* it; for a *monarch* is then truly a *king*, when he needs not *creep* to the people. My *only* fear is, my English so hate the Dutch, that they will *desert*, rather than *fight* for them. To strengthen myself more, I can arm the *French Hugonots*, of whom we have here good store, and fetch over the *Vandois*, if I find Savoy inclinable to make *peace*.

“ I fear I must be forced to this, for I find the English an *inconstant* and *headstrong* nation, and false to their kings, NOT OTHERWISE TO BE RULED LONG, BUT WITH A ROD OF IRON. But remember this, *my last refuge*, as so you will have more leisure to consider of it, as future occasions afford you more light. I shall now bethink myself what to say to the Parliament, between this and the time they meet.”

Lord Somers's State Papers, Vol. 4, p. 112.

*Extract from King William the Third's discourse
to his Cabinet Council.*

Speaking of the probability of invasion, he says,
“ Should he (James II.) land here, I expect that
not only my known enemies, but multitudes of
others, who comply now from fear, will flock to
him. The *overburthened* Commons, seeing no
likely prospect of the *end of war, nor, consequently,*
of taxes and polls, will give scope to their *natural*
mutability, and face about, especially when they
hear that many chief nobility are run to the other
side.

“ The want of full pay vexes our army. The
people's eyes will be opened, to see that we *fied*
their hopes, and *job them with counterfeit pretence,*
in the neck of one another. They will suppose that
I am to be removed, and the late King restored;
and this once entering into the thoughts of this
giddy nation, who have got the *knack* of *turning*
out their kings, will make them as little regard me
as my predecessor, *and turn me out too.* We once
thought to ruin France by prohibiting commerce;
but now we find *we can less subsist without it than*
they, and England least of all.”

Lord Somers's State Papers, &c.

Extract of a letter from Minheer T. Van C. to
Minheer Van L. in London, dated Hague, 15th
February, 1690.

“ 1st. I must shew you the good, King William
has done us. 'Tis certain, England had robbed us

of our trade in the two last Kings reigns, who, by an unlucky *neutrality*, had made the stream of traffic run that way.

“ ’Tis certain also, the late King James was taking most mischievous measures to continue and augment their trade, and ruin ours; *for if the liberty of conscience, which he was going to establish,* had not been prevented, the most considerable of our merchants (who live amongst us, because they are *not molested in the free exercise of their religion,*) *would have removed, and drawn their effects to England, where the ports being more securc,* THEY WOULD, WITHOUT hazarding their religion, have run less danger of their goods.

“ ’Tis manifest also, and foreseen by OUR WISE MEN, that (whilst it was impossible for us to stave off a war with France) King James, whose industry and application to the advancement of trade made him embrace all occasions to encourage it. *would have preserved a neutrality to our utter ruin.* These and *many other* considerations (as I affirm) made us willing *to pluck the thorn out of our own foot, and put it into another's*; and therefore, after much consultation, nothing was found so expedient, as to *heighten the divisions in England*, and join with the male-contents: so that what the Ridderscarp, (*i. e.* Nobility,) together with the deputies of other cities, have here lately alledged against the resolutions of the city of Amsterdam, (p. 6, 7,) is now manifest, though formerly kept as a secret,

and stoutly denied to the late King by our ambassador in England: “ that the Prince did not undertake that expedition without the previous communication, full approbation, and good pleasure of the States; and that the States-General were moved so considerably to assist him therein, *PRINCIPALLY* for the liberty and *prosperity* of our dear native country.”

Moreover, I tell them in our States words, (p. 9.) “ that this expedition having been effected by the assistance of the arms of the States General, and *with an aim at the saving of the State*, ought not to be accounted a foreign expedition; and that (p. 7.) seeing by the *admirable providence of Almighty God*, under the wise and valiant conduct of his Majesty of Great Britain, it had that success which is known to all the world, the States expect no other but that it should necessarily tend to a narrower and stricter union of these kingdoms with this State, and that the States shall be thereby *made more fit and able* to grapple with all the ill designs with which the enemies of these lands have threatened us.”

“ Having thus represented to them the condition we were in, and the benefit we hoped to reap by the expedition, I proceed to shew, that we were not out in our politics; and that, however his present Majesty has behaved himself to others, *he has still been true to our interest, and faithful to the promises he has made us*. And, to prove this, I

shall shew them how careful he has been (notwithstanding the urgent occasions he has had for money) to repay us the six hundred thousand pounds, which our States laid out upon the expedition; whereas, being now King of England, he might, *with justice enough*, have discounted it upon the *old scores*, betwixt us and that nation, ever since Queen Elizabeth's protection.

"How speedily he sent us succours; twelve thousand of their best men, to *waken their strength, and fortify us*, even *before* he took care to establish his own footing in Scotland, or proceeded to the reduction of Ireland. How careful he has been to put the strongest places of trust into the hands of our countrymen, or, at least, such as our ambassadors, and the Earl of Portland, were secure of, who, in case of a turn of times, will be able to hold them out till we can pour in fresh supplies. How religiously he has observed his promise of making no advance without the advice and approbation of our ambassadors, and *Misheck Beningh*, to whom he has caused all the strength and weakness, together with all the commodious ports, landing places, and creeks of that Kingdom, to be reported. How, by their advice, he has dispersed the English troops, some even to both the Indies, that he may more easily govern by a foreign force, *and have no dependence upon such as had no regard to their natural allegiance* and repeated oaths of fidelity to a Prince that loved them.

“ I also represent to them the condition of the English fleet and merchants ; how many thousands have died this summer for want of wholesome provisions, and even through scarcity of them also, (which destruction of seamen is of mighty importance to us ;) how many men of war have been lost ; how the merchantmen have had their seamen pressed from their ships, and by that *and embargoes*, and storms this year, have lost above two millions : and desire them to consider, that he who has been brought up amongst us, is not a stranger to what belongs to a *fleet and trade* ; so that the miscarriages of both these cannot be attributed to his want of judgment or application, but to further a *design* of weakening *that kingdom*, and advancing *us*.

“ I tell them, how he was once going to remove all, or most of the English captains of ships, and put ours in their places, which had certainly been done, but that it would too soon have made the secret known to the nation. I also shew them, that, notwithstanding the vast stock he has in Bank amongst us, he has been so cautious, both for his own concern and ours, as *not to touch one penny of it*, but has made the people of England furnish him, even beyond their powers, and yet run daily in debt there for stores and provisions—nay, even for his soldiers pay : by which means, if he increase not his own stock, (of which I have at present no positive account,) he at least impoverishes them to our wish, so that hereafter they

will be able to do nothing without our assistance. 'Tis true, he has given out there, that the Earl of Portland is to draw two hundred thousand pounds OUT OF HIS STOCK IN THE EAST INDIA TRADE; *but we know when that money was sent from England, and what plate was melted down to help to make up the same; and that this, at least, shall be hereafter added to his Bank, is more than probable. These things I demonstrate to them as done for us; and then shew what benefit we have already reaped by these proceedings.*

“ That we have (as I said before) established our interest upon a firm and lasting foundation, by their utter ruin, *being now masters of the whole trade of the inhabitable world:* That, whilst he has denied convoys to their merchant ships, pressed their seamen, and, after promises to the contrary, clapped *embargoes upon all* their outward-bound ships, we have sent out ours with all freedom, and have, by that means, got the choice of all foreign commodities at easy rates, if not *the sole exemption of them, and vented our own at our own price.* That by these means, and his permitting us to carry *all sorts of commodities into England in our own bottoms, our country is enriched, by this year's war, treble to what we expended for the expedition, besides the prospect of a perpetual enjoyment of a free sea and traffic.* Nay, we may hope, *in time, (as I shall shew hereafter,) to ride masters of the British sea, and make them lower their top-sails to us.*

Secondly, I shall shew what he is now doing to our advantage. I tell them, that I need only mention these actions, by which it is manifest he has our interest in his eye, and uses all means to give no abating ensurance of all these good things he has procured for us : but, besides all these, has he not moreover sent the Earl of Portland amongst us, with *fresh proposals*, if *we will further lend him* our assistance ? Are not these proposals so advantageous to our interest, that our States, who know them, are more than willing to assist him with greater numbers of men and ships this summer, than they did the last ? Again, does *he countenance their merchants*, or hearken to *their proposals for the advancement of trade*, any more now than he did the last year ! Is he not raising fresh recruits, and daily *sending them hither* in exchange for ours ? And does he not pay both the one and the other, (or at least engage for the payment,) by which a good part of *our army is maintained for us* ? Has he not, all the last summer, been at two-thirds of the charges for maintaining the war by *sea*, notwithstanding that it was principally entered into upon *our* accounts, and that we are likely to be the only gainers ?

“ Has he not of late *prorogued and dissolved* their Parliament, that he may espouse the church of England’s interest, by which means the liberty of conscience, *we so much dread*, can never be established, and by which means *all conscientious*

dissenters will, with the Jews, be again forced to take their retreat amongst us ?

“ Are not these, and many more, which he does for us, and permits us to do for ourselves, such things as no King of England would ever have suffered, and such as would have caused a war betwixt our States and them ? And yet these things he does for us, and has done, and we are not satisfied. Let us therefore see, thirdly and lastly, what good we may hope he will do for us, if we obstruct not his designs.

“ This depends much upon future contingencies ; *and measures are taken to fit all occasions.* —If he find it possible to maintain his ground against the late King James, and the power of France, he knows it cannot be without our help, and our confederates assistance ; and we know upon what terms we will lend him such as will be efficacious. We have (as I have already mentioned) long wished for a *mare liberum*, and could not endure the Kings of England should be Kings at sea, and make us lower our top-sails to them, or be subject to such laws as they prescribed : And will we, think you, lose so happy an opportunity of *stripping* them of that prerogative, or, if we can, of making use of it ourselves ? We know he is of a changeable humour ; but yet we know also his ambition ; and he cannot gratify his pride without being kind to us ; and no kindness can endear so much, as to give us up that prerogative by which

we may have a *free sea, and a plentiful trade above our competitors.*

“ For this it is our States are now labouring ; and I hope all the opposition some of them *seem* to make, is but to facilitate this, and the *other* concessions we would have. But if he find it impossible for him to keep the throne, (*as it is most likely,*) his designs, *we now* know, are what you formerly told me :—*To fleece that proud and pampered nation, and leave them neither men nor money, nor ammunition, nor ships, nor any thing to enable them to make war against us, or carry on a trade.* Indeed, by all appearances, we may conjecture, that he gives up the Crown as lost, and that this is the reason why he has already emptied the forts of arms and ammunition, the exchequer of money, and his palace of plate, furniture, and jewels. *He has borrowed immense sums of the merchants,* and is still borrowing more, *and yet pays nobody—scarce his own guards,* because it is supposed he reserves a *city plunder* for their recompence.

“ He has prepared 500 waggons, *under pretence to go to Ireland,* but we know that measures are already laid how (if King James should land, and the nation return to their allegiance) he may *carry off all the booty, with the remainder of our army,* and a considerable part of the fleet, and return to his *dear native country,* which will then receive him

with open arms, notwithstanding all jealousies that are now cast amongst us.

“ I am, Minheer, yours, &c.

“ T. VAN C.”

Lord Somers's State Papers.

14th Jan. 1703, 2d Anne.—“ Ordered an account to be furnished by the *United East India Company*, of all bullion sent out from London and Cadiz, since the first exportation;” (*accounts along with the papers of the house.*)

Same day, petition from the merchants and inhabitants of London and Southwark, complaining “ that the woollen trade would be ruined in consequence of the immense importation of stained calicoes from the East Indies.”

17th Jan.—Sir Robert Davers, from the committee to consider East India affairs, reports,—“ resolved, that it is the opinion of this committee, that a restraint be laid upon the *exportation of bullion* to the East Indies.”

13th Jan. 1704, 3d Anne.—“ Ordered, that such of the committee *as are not concerned in trade*, do inspect the East India Company's books, and report to this house all such sums of money as shall appear to them to be directed by such Company *for secret service.*”

27th Jan. 6th Anne.—The East India Company petition the house, that they will again fulfil any

further sum, which may be voted, *on their charter being renewed*.

31st Jan.—“ Resolved by the committee, that on the Company lending for service of the year 1708, one million two hundred thousand pounds, they shall have a further term of 14 years and a half, but giving three years notice of the abolition of contract with the public.”—On a motion to postpone second reading same day, negatived, 202 to 149.

2d Feb. 1707, 6th Anne.—The managers from the East India Company attended, to deliver in their submission to such terms.

9th Anne, 1710.—Petition of the *African Company* and *their creditors*, stating, “ that from great losses the Company had called their creditors, and invited them to join in such trading Company; but, without the charter was *confirmed by Parliament*, they feared that they should not be able to *preserve the trade* to this country.

17th May, 1711, 10th Anne.—Bill read a first and second time, to erect a corporation to carry on trade to the South Seas.

18th May.—Petition of the *East India Company* against such bill, stating, “ that by an act of 9 and 10 William III. they had granted them *the whole trade in, to, and from the East Indies, in the countries and places of Asia, Africa, and America, beyond the Cape of Bona Esperanza, to the Straits of Magellan, and exclusive of all others*; for which

they have lent to his late and present Majesties three million two hundred thousand pounds, at 5 *per cent.*; and, finding that the South Sea Corporation would embrace the sole traffic throughout the South Seas, to *the northernmost part of America*, pray against the bill, and to be heard by council.”—Ordered.

26th Feb. 1729, 3 Geo. II.—A petition and proposal of several merchants, traders, and other persons, in behalf of themselves and others, the subjects of Great Britain, was presented to the house and read, “ offering to advance three millions two hundred thousand pounds, to redeem the fund and trade of the present East India Company (the petitioners conceiving both to be redeemable;) the said money to be advanced at five several payments—(say within four years)—at 4 *per cent.* for six years, and 2 *per cent.* afterwards; provided the lenders may be incorporated and vested with the whole trade to the East Indies, and elsewhere, in the same extensive degree as is granted to the present Company; yet so as not to trade with their joint stock, or in a corporate capacity, but *the trade to be open to all his Majesty’s subjects*, upon licence from such proposed New Company, to be granted to all his Majesty’s subjects desiring the same, on proper terms and conditions; and provided the trade be exercised to and from the port of London only; and to be subject to redemption at any time upon three years notice, after a term

of 31 years) and repayment of the principal." Petition rejected, 223 to 138.

5 *Geo. II.*—An act passed to restrain all others from trading to India, &c.

1st *May*, 1732, 6 *Geo. II.*—An act passed "to revive an act of the 1st of George I. to prevent all others from trading to the East Indies under *foreign* commissions."

7th *Feb.* 1743, 17 *Geo. II.*—The East India Company petition, "that upon receiving the grant of an annuity of 30,000*l.* well secured to this company, they will lend the government one million, provided they have an addition to their present term of 14 years, (besides the three years allowed them after the expiration of their present term, for the bringing home, and disposing of, their effects, &c.) and a power also to issue out *bonds* from time to time, for any part, or the whole amount of the said one million sterling." Ordered "that a bill be brought in."—In the committee Mr. Henry Fox (unaccounted millions) is of the number.

24th *March*, 1749, 23 *Geo. II.*—Notice given by the House, in a letter from the speaker to the East India Company, "that one million be redeemed and paid off, and that the remaining debt of 4,200,000*l.* will be also paid off, unless the company will consent to take 3 in lieu of 4 per cent. on 3,200,000*l.* of the national debt, which

otherwise must, by an act of parliament, be redeemable."

The next state proceedings which will be noticed, are the singular speeches in the House of Commons in 1754, upon the passing of the *United East India Company's Mutiny Bill*. And if Sir *F. Burdett* had happened to have perused this *whole* debate, he would have been more successful when he recently made his motion relative to *flogging* in the army. The Earl of *Egmont*, (an ancestor of Mr. Perceval's), amongst other things, said, "these extensions of our now written martial law, I thought it necessary to mention, in order to convince gentlemen how cautious they ought to be in agreeing to any new extension of it, especially that of putting so dangerous a weapon in the hands of a company, whose *first* establishment was *illegal*, and who, as soon as they but supposed they had got a legal one, *became oppressive*, and soon after, of *dangerous consequence to the honour of parliament*, nay, I may say, *of the crown itself*. Our East India Company, sir, was first established by a charter from Queen Elizabeth, and by that charter had granted them an *exclusive* trade to the East Indies, which was *illegal*, notwithstanding its being granted by that wise and gracious Queen. They had a new charter from James I. with the same exclusive privilege, and consequently as *illegal* as the former. From Charles II. they had

another new charter, still with the same exclusive privilege,* and still *illegal*. However, they continued to enjoy this exclusive privilege, but exercised it with *great caution*, because *even they themselves* doubted the legality of it, as monopolising charters of all kinds had been loudly complained of *in parliament towards the end of Q. Elizabeth's reign*, (vide her *golden speech*), therefore, when the famous, or rather *infamous Jeffreys*, (*who sold justice*) was raised to the bench, they took an opportunity to have their *exclusive privilege declared legal by him*; for they were sure they had then a judge who would decide in favour of every thing that tended to exalt the power of the *crown**. What was the consequence, Sir? They began, presently after, *to act in so oppressive* a manner abroad, that great complaints were brought home against them, which they had *influence enough to stifle, probably by the same means they practised* for obtaining a *new charter and act of parliament*, soon after the revolution; for, when their affairs were brought under the consideration of parliament in 1695, it appeared, that they had **BRIBED SEVERAL MEMBERS OF PARLIAMENT**, and had

* It is not to be marvelled at, that this infamous and corrupt judge legalised their charters. At that very moment he had sentenced the celebrated Baxter to two years imprisonment, for having, contrary to an injunction, preached to an immense congregation at his chapel, in the Old Jewry, and for his "Paraphrase on the New Testament."

attempted even *to bribe the crown itself, by an offer of 50,000*l.** and that for these corrupt purposes they had laid out a *very large* sum of money, and were to have laid out *a much larger*, in case their intended act *had passed*, amounting in the whole to BETWEEN 3 AND 400,000*l.* To this amount, I say, *an actual discovery* was made, and it is probable that *several other sums* were laid out, or intended, of which no discovery was ever made. Whether that company *have ever since* attempted any such practices, or what *the many favours* they have *since* received, may have cost them, I shall not pretend to guess, *but the discovery then made*, should make gentlemen cautious, lest, under the pretence of securing or promoting the trade of that company, THEY SHOULD BE DRAWN IN TO SERVE THE ENDS OF CORRUPT MEN."

Another member said, "that our consenting to the introduction of *military law*, was an *abandonment* of our *constitution*; every governor or commander-in-chief will have the power not only of life and death, but of torture even. Is this a power fit to be intrusted in the hands of a very low fellow of an East India governor? Perhaps cruel or revengeful, nor, as in this country, controlled by the crown."

18th Feb. 1755, 28 Geo. II.—Ordered, that *all* the charters granted to the East India Company should be laid before the House.

The following only were presented :

1600, 43 Elizabeth, for 15 years.

1661, 13 Charles II.

1668, 20 ditto.

1673, 25 ditto.

1683, 35 ditto.

1686, 2 James II.

The two last “could not be found,” but “copies”
in a neat red book.

1698, 10 William III.

1702, 1 Anne (United Company).

1726, 13 George I.

1753, 26 George II.

20th Feb. 1755.—A petition from the Royal African Company, praying, “*for an exclusive charter, as formerly ;*” but this, *frustrated by petitions* from the out-ports, declaring, “that the trade to Africa was greatly increased since such exclusive privileges were done away.”

16th May, 1757, 30 Geo. II.—His majesty, in his message, says, “that having withdrawn a battalion of his forces from the company’s settlements in the East Indies, recommends to the House to enable such company to maintain a force equal to such withdrawn battalion.”

20th Nov. 1760, George III. *first speech*.—“Our advantages gained in the East Indies have been signal, and must greatly diminish the *strength and trade* of France in those parts, as well as procure the *most solid benefits* to the commerce and

wealth of my subjects ;” and afterwards, “ the eyes of all Europe are upon you—from your resolutions, the PROTESTANT interest hopes for protection,” &c. &c.

20th May, 1767.—The East India Company petition “ for a *temporary* agreement for three years, so that the public should judge of the concessions ; that all their accounts should be examined annually ; that the duties on teas and calicoes should be regulated ; and in future pay the public one half of their neat profits, or 400,000*l.* per annum, &c. stating, as weighty considerations, what immense territorial acquisitions they had made, (never the aggressors), and that the public revenue had continually increased,” &c.

13th Dec. 1769, 9 Geo. III.—“ A petition of the principal merchants and inhabitants of the town and port of *Liverpool*, was presented to the House, and read, setting forth, “ that the petitioners observing that his majesty, in his most gracious speech, *has recommended to parliament* the consideration of *the great commercial interests* which had been entered upon in the preceding session, humbly apprehend, that the House will soon resume the important object of the trade *between Asia and Europe* ; and that the petitioners hope that the said *immense fund of commercial industry, power, and profit*, may be put on as *broad a national foundation* as it is capable of, and *has been found to be capable of, to the establishing of the*

wealth and power of a neighbouring country; and the more so, as the opulent territories lately added to the British possessions in Asia were acquired by the bravery of the British troops, and at a prodigious expence to the public; and that the petitioners, in order to extend and participate in this trade, are ready to conform to such terms and regulations as to the wisdom of parliament shall be thought proper." Ordered to lie on the table.

16th Dec. 1769, 9 Geo. III.—A petition from the inhabitants of *Ilminster*, in the county of Somerset, relating to "the advantages that would arise to the public from laying open the East India trade to all his majesty's subjects, being offered to be presented to the House." It passed in the negative.

15th Feb. 1769, 9 Geo. III.—The East India Company petition, "that an act passed in the 7th year of his present majesty, for establishing an agreement for the payment of the annual sum of 400,000*l.* for a limited time, by the said company, in respect of the territorial acquisitions and revenues lately obtained in the East Indies, having expired on the 1st inst. the said United Company, at several general courts lately held, took into their consideration, the terms and conditions for entering into a further agreement with the public respecting the aforesaid acquisitions and revenues, and the following question being proposed, was carried by a ballot on the 9th Feb. instant:—That it is the opi-

nion of the general court, that an agreement may be made with the public as follows : that 400,000*l.* per annum be continued to the public for 5 years ; that the company be at liberty to increase the dividends to 12½ per cent. ; that the company shall be obliged to export in every year, of the manufactures of the kingdom, (military and naval stores excepted), the medium amount of any preceding 5 years ; that if any surplus of cash shall remain in *England*, after the discharge of the company's *simple contract debts, bearing interest, and the reduction of the company's bond debt, to the debt which shall be due from the public to the Company*, then such surplus shall be LENT to the public at TWO PER CENT. PER ANNUM.

Same day, the Lord *North*, " by his majesty's command, acquainted the House that his majesty having been informed of the contents of the said petition, gives his consent, as far as his interest is concerned, that the House may do therein as they shall think fit."

19th April, 1772, 12 Geo. III. A select committee of 31 appointed, " to enquire into the *nature, state, and condition* of the East India Company, and of the British affairs in the East Indies."

N.B. *An open committee* of the whole House negatived ; so was the motion, that the names of such 31 should be fairly drawn from *a box*, instead of *prepared lists* of names.

26th May, 1772, 12 Geo. III.—All charters ordered, when, in addition to those presented in 1755, the following were also discovered :

1603, 1st James I. “restraining all but the company to trade.”

1609, 7th ditto, “*exclusive trade for ever.*”

1610, 8th ditto, “further privileges to export bullion.”

1622, 20th ditto, “to chastise either *by military law or otherwise.*”

1624, 22d ditto, “an act of pardon and indemnity for having exercised military law previous to such act of the 20th.

1626, 2d Charles II. “for mills to make gunpowder.”

1636, 12th ditto, “to gain possession of an island, and to export bullion.”

1676, 28th Charles II.

1693, 5th William III.

1694, 6th ditto.

1705, 4th Anne.

1708, 8th ditto.

1727, 1st George II.

1728, 2d ditto.

1758, 31st ditto.

1760, 1st George III. “all referred to a committee, and afterwards returned.”

In presenting these additional discovered charters, and this, without the aid of a *neat red book*, a *volume* is written. Let us not, however, exult

over a *falling* antagonist. The gentle reader will be pleased, nevertheless, so far to notice *dates*, as to mark that, as in the 15 years term of Queen Elizabeth, or the “for ever” of Jac. I. *whenever a good prince, or his worthy minions*, found it convenient, either to disannul an *illegal exclusive grant*, or to receive a bouncing *buona mana*, they were not very scrupulous about the *time*!!

16th May, 1773.—The Lord North, by his majesty’s command, acquainted the House, “that his majesty recommends to the House the consideration of making provision for the RELIEF of the *East India Company*, and for securing to the CREDITORS of the said company a more speedy satisfaction of their demands.”

A committee appointed, and reported, “that the clear revenues and profits of the East India Company should, from time to time, be applied to the discharge of such debts as shall *be due and demanded* ;” and “that some provision be made by parliament for the more *effectually securing the application* of such clear revenues and profits to the purpose aforesaid, and for thereby effecting the *more speedy discharge* of the DEBTS of the said company.” Agreed to.

28th May, 1773.—A petition from the lord mayor, &c. of London, “complains of the bill for regulating the revenue, &c. of the East India Company, and its territories ; as, by example, the franchises of London, and every corporate body,

are in danger of being invaded, therefore fatal to the *security of property*: and complain that such bill, *embracing matters of such public concern, has been brought into the House* with a degree of *secrecy* incompatible with the *principles* of the *constitution*; and therefore pray that said bill may not pass into a law.” Ordered to lie on the table.

28th May, 1773.—A petition from the East India Company read, states, “ that a bill was pending for establishing certain regulations, &c. in India, for the better management of their affairs in India, as in Europe; that the said bill, if passed into a law, will destroy every privilege which the petitioners hold under the *most sacred securities* that subjects can depend upon in this country; and that the appointing of officers by parliament or the crown, to be vested with the whole civil and military authority of the presidency of Bengal, and also the ordering, management, and government, of all the territorial acquisitions and revenues of the company, in the kingdoms of Bengal, Bahar, and Orissa, together with the other superintending powers over the settlements of Bombay and Madras, INDEPENDENT of any choice in the company, or any real power of controul in the directors or general courts of the said company, or power in the said company, of removing the said officers for misbehaviour, or filling up of vacancies in case of death or avoidance, is a measure so EXTRAORDINARY (while the possessions are

alleged to remain in the company), that the petitioners beg leave to call the attention of parliament to this most alarming circumstance, before the House shall give a sanction to an act, which, under the colour of *regulation*, will annihilate at once the powers of the East India Company, and virtually transfer them to the crown; and that the said bill is destructive of the essential rights and interests of the petitioners in many other respects; and is further defective as to many of the purposes for which it is declared to be framed; and that the petitioners look upon this bill as tending to destroy the liberties of the subject, from an *immense addition of power it must give to the influence of the crown*; and that the petitioners have never been made acquainted with any charge of delinquency having been made against them in parliament, and if any such charge has been made, they have never been called upon to be heard against it; and they pray to be heard by council against the said bill."

Same day, "resolved, and voted, that 1,400,000*l.* be granted to his majesty for the *relief* of the company.

"That the territories, &c. shall continue (under proper restrictions and regulations,) with such company for *six years* longer; during such term the public shall not participate in any profits until the bond debts of the company shall be reduced to 1,500,000*l.*" A committee appointed (Mr. C. J.

Fox one of it), and the bill soon after was passed into a law.

2d June, 1773.—Lord North's celebrated bill, "for the better regulation of the East India Company," he moved, "that the judges in India should be appointed by the crown, and not by the company." Carried 108 to 18.

8th June, 1775.—The petition of the proprietors of 500*l.* East India capital stock, praying, "that they may not lose the right of voting agreeably to the terms of the charter." That right was, however, taken from them, and 1000*l.* stock to be the future qualification.

The East India Company petitioned against this *revolutionary* bill, but in vain; passed, 131 to 21.

In the House of Lords, where it also passed, the most forcible arguments were used against this bill; and thirteen peers recorded their names in a protest, especially distinguished by the following expressions:—"Dissentient, Because the preamble to this bill, stating defects in the powers of the East India Company, abuses in its administration, and injuries to *public* and *commercial credit*, ought to have been supported by evidence adapted to the nature of the several matters alleged. BUT, THE PRODUCTION OF CHARTERS HAS BEEN REFUSED BY THE HOUSE,* *no witnesses* have been called to

* How parliaments were metamorphosed, even since 1755 and 1772!

ascertain the existence or quality of the supposed abuses, no enquiry has been made into the condition of public credit, and no *state* of the company's *commercial affairs* have ever been laid before us, &c.;" and again, "because the disfranchising of 1246 persons, who do not hold 1000*l.* stock, is a heinous act of injustice," &c.; and again, "with such matters before us, that require the *best*, we are denied *all manner* of information. A bill, the object of which has occupied the commons near *eight months* to consider, is *precipitated* through this House in little more than *eight days*, without any attention to parliamentary usage or decorum, as if the lords were the *lowest* of ministerial tools, which are not to be indulged even with an appearance of discussion concerning the *mandates* they receive. In this situation, *we feel the honor of the peerage tarnished, and its dignity degraded*. We have nothing left then, but the satisfaction of RECORDING OUR NAMES TO POSTERITY, &c.

Abingdon,	King,
Torrington,	Milton,
Boyle,	Richmond,
Grosvenor,	Archer,
Devonshire,	Rockingham,
Ponsonby,	Fitzwilliam,
Portland.	

22d Mar. 1775.—“At a quarterly general meeting of the proprietors of East India Stock, the court was given to understand, by an official letter

from the treasury, that no further pecuniary advance could be expected towards the expence incurred in the reduction of the Manillas; and also, that as the act, which obliges the company to export annually a certain quantity of woollen cloths, was just expiring, their lordships intended to apply to parliament for a renewal of that act." These advices occasioned *warm* debates.

19th May, 1779.—Lord North moved for leave to bring in a "bill empowering the Hon. the East India Company to hold their territorial possessions for *one year* longer; and for preventing the company from making a dividend of more than 8 per cent. during that term." This brought on a *warm* altercation between Colonel Barre and his lordship. The colonel asserted, that "his lordship had *filched* away the patronage of that great and opulent body." His lordship, in great *heat*, denied the charge, said "it was *false, very false*, and he must tell the right honourable member so." "The noble lord," the colonel said, "made bold assertions, *but the patronage of the company* was with him; he had interfered in their appointments, from the *greatest* to the *very lowest*; he knew this, and would prove it, if desired, at the bar of the House." He was called to order.

1781 and 1784.—Vide Parliamentary Journals and Debates for the memorable bills of Mr. Fox and Mr. Pitt.

19th Feb. 1788.—A general court of proprietors

to consider whether the company should take the four additional regiments, that the government wanted to go out, in addition, although 2600 men were deficient in the regiments now in India. Mr. *Bensley* said, that he feared that the company had consented to receive king's troops *at an evil hour*. The bills, however, of 1781 and 1784, gave ample reservation of all the rights and privileges of the company; they were guaranteed also by the *assurances* of *ministers*, who had stood forth their *zealous* and *successful* advocates, *subject only* to such limitations, in *point of controul*, as were judged necessary to preserve them from *abuse*, *but no more*." These regiments then, were refused, after protracted discussions. The minister (Mr. Pitt), however, went to parliament, and a bill was passed, "to enable the commissioners for the affairs of India, to *send out what troops they choose*, and to *deduct the expence from the proceeds* of the India revenue.

N.B. By the act of 21st of George III. the company should pay two lacks of rupees for every regiment of king's troops of 1000 men each, *if sent out at the requisition of the company*.

Letter in all the Nabob's British Gazettes and Magazines, from Arcot, 2d April, 1787,

"*Tippoo Saib* is preparing to enter the Travancore boundaries. The rooted aversion this *villain* has for the English, will never suffer him to sleep

in peace, until he does his best to extirpate us.—It is impossible that we can ever sleep in peace in the Carnatic, whilst he exists as Nabob of the Mysore.”

March 3d and 5th, 1788.—On the *East India Declaratory Bill*, (viz. of the act of 1784,) the Company petitioned, and Mr. *Erskine* and Mr. *Rous* were heard at the bar of the house. Sir *Grey Cooper* said, “ that the bill of Mr. Fox, in 1784, had been rejected as tending to the destruction of the East India Company; and was it not the object of the present bill totally to *annihilate* the power of that Company, by annulling the compact which had been entered into with it? Councillor *Scott* (Lord Eldon) defended the declaratory bill; and, in reflecting on Mr. Fox’s intended bill of 1784, *highly complimented* that of Mr. Pitt, which was preferred.

Mr. *Sheridan*, amongst other things, defended the rejected bill of his friend Mr. Fox, and said, that by that of Mr. Pitt, “ THE CHAIRMAN OF THE SECRET COMMITTEE, established under the Board of Controul, was possessed of MORE IMPERIAL PRIVILEGES than had been given to the Commissioners by his friend’s bill. HE HAD POWER TO MAKE WAR in India—to NEGOTIATE with the country powers, &c. WITHOUT APPLYING TO THE KING OR PARLIAMENT.” Bill carried, 129 to 74.

July 4th, 1788.—CELEBRATION of *American*

Independence: Philadelphia. “ In the procession, a grand car, with a *spinning* apparatus, a female at work, *drawing cotton*, suitable for fine jeans or *fæderal rib*—Mr. Hewson printing muslins, Mr. Lang designing and cutting prints for shawls—Mrs. Hewson and her four daughters pencilling a piece of chintz—all the parties dressed in *American manufactures*. On a lofty staff, the calico printers flag—thirteen red stripes in a white field, and round the edges, thirty-seven different patterns of chintz bed furniture—motto, ‘ May the Union Government PROTECT THE MANUFACTORIES OF AMERICA.’

Then followed the weavers flag—a RAMPANT lion in a green field, holding a shuttle in his dexter paw. Motto—“ MAY GOVERNMENT PROTECT us.” Then followed the cotton card-makers, &c.

European Magazine, &c.

July 1st, 1789.—Mr. *Dundas*, Chairman of the Board of Controul, in a committee of the whole house, on the revenues of India, stated a most flourishing account; but Mr. *Hussey*, (the truly patriotical member for Salisbury,) observed, that “ the Company at home were increasing their debt; and, as a proof, Mr. Devaynes had just presented a petition, “ praying leave to borrow one million, to add to their capital.”

March 31st, 1790.—Mr. *Dundas* stated, that “ it was the design of government to reduce the duty of *salt* in India. The food of the *Hindoos*

was chiefly *rice*, and therefore *salt* was *absolutely necessary*. OPIUM was also scarce and *dear*; but, by last accounts, there was a very flattering prospect of a PLENTIFUL supply. Our possessions in the east, promised HOPES of the most sanguine description.

Mr. *Hussey* said, “ *it was impossible to understand the situation of the East India Company, without combining the state of their affairs in India, with their debts and effects at home. By accounts he held in his hand, it appeared, that they had borrowed twelve millions in eight years. In 1781, they stated, that after all was paid, they had a surplus of five millions and a half; and, by a similar account in 1785, they made it appear, they were six millions seven hundred thousand pounds worse than nothing. He had moved for an account of their profit and loss for those eight years; in which he could find no account of profit, but an account of loss, to the amount of twelve millions, by depreciation of effects in India, and debts transferred to England. Yet, by other papers, it appeared that they were two millions better this year, than they were the last. He should be happy to find their situation more prosperous than described. He wished only to see the profits, so much boasted of, fairly brought to account in Leadenhall-street.*”

Mr. *Tierney* “ *apologized* for having troubled the house with motions for papers, on which he was prevented by INDISPOSITION from arguing, but

offered to prove, if the report of the resolutions was deferred till after the holidays, that for the last five years the Company's surplus in India had not been sufficient to discharge the demands on them at home, and that, during that period, they had had no profits on their trade."

Mr. *Secretary Thomas Grenville* had no objection to postpone the "discussion, as the more it was discussed, the more would Mr. Dundas's flourishing reports be confirmed."

Mr. *Francis* (once of the council, now SIR PHILIP!) completely controverted all Mr. Dundas's statements, and especially deprecated the revenue from salt. The medium price of a man's labour in India, was *not more than two-pence halfpenny a day*. A family of five must necessarily consume THREE FARTHING IN SALT. With the remaining seven farthings, the poor labourer is compelled to sustain himself, wife, and three children. Such calculations were, no doubt, much beneath those in the habits of calculating *millions*; but, in his opinion, they highly deserved the attention of the committee."

April 14th, 1790.—Mr. *Tierney* "moved for an account of teas imported by the East India Company," and other papers relative to the state of their finances.

May 3d, 1790.—Mr. *Rous* brought up the report of the committee of the whole house on the finances of India, which being read, Mr. *Tierney*

rose, to move its recommitment. His reasons for so doing were, that it was founded on a *partial* representation, comprehending only *part* of the Company's affairs; but, if agreed to by the house, they might mislead the public, and persuade individuals to embark their property on what would appear to be *good* security, with a *growing* profit, whilst, in reality, it was only a *delusive and ruinous speculation*. He was induced to stand forward on this subject, BECAUSE HE HAD STUDIED THE AFFAIRS OF THE EAST INDIA COMPANY WITH MUCH ATTENTION, and because he firmly thought it had been losing on the whole for the last four years, and that, without assistance from the public, they must *necessarily be bankrupt in fifteen months from the present date*.

May 14th, 1790.—Mr. *Sheridan* remarked, that three hundred thousand pounds Exchequer Bills, issued to accommodate the East India Company, had not been cancelled nor paid as agreed for. By a statement, he maintained, that the minister had acted in that business in a manner most extraordinary, and also injurious to the country, and that his concealment of that transaction was to enable the East India Company to *pay a larger sum to government this year*, than they otherwise would be enabled to do, *had he informed the house* of the transaction. Mr. *Sheridan* concluded by moving, “ that it appears to this house, that the three hundred thousand pounds, lent to the East India Com-

pany in 1783, and *which ought to have been repaid into the Exchequer in 1786*, in conformity with an *express act of parliament*, has not been refunded, nor any part of it."

Supported by Mr. Fox and Sir Grey Cooper—*no Tierney*—and opposed by Mr. Pitt, Mr. Steele, Mr. R. Thornton, and Mr. Baring. Negatived by a great majority.

Indian Budget, 10th July, 1804.—Lord Castle-reagh, as Chairman of the Board of Controul, opened his annual budget, in his usual *sanguine* way; and gave *plausible* reasons *why the five hundred thousand pounds, per annum*, had not been paid as agreeable to the renewed charter of 1793, for twenty-one years.

Lord *Archibald Campbell* reminded the noble Chairman, how repeatedly his predecessors (Messrs. Dundas and H. Addington) had given similar flattering and delusive promises. Since these promises had first been brought forward, the Indian debt, it was known, had increased three or four-fold. In 1793, when the charter was renewed, five hundred thousand pounds *was to be annually paid the public*. Of this sum, so stipulated for, not one sixpence had been, or was likely to be, received. The debt of the Company, so far from being diminished, accumulates from year to year. It was now upwards of nineteen millions, with every prospect of greater accumulation. Last year the debt due by government to the Company was

estimated at about four millions ; at that time a million was discharged, still the balance against the government was not diminished by the papers on the table. This was a very extraordinary circumstance.

On a question from Mr. *Kinnaird*, “ whether the *noble chairman* would pledge himself that, *no increase* should take place in *the exportation of bullion* to the East Indies in the present year? The noble chairman *flattered himself* that the *event of the sales* in this country WOULD ENABLE THE COMPANY TO EXPORT A CONSIDERABLE QUANTITY OF BULLION, AND WAS OF OPINION THAT IT WOULD BE MOST ADVANTAGEOUS TO THE COMPANY, TO SEND OUT AS LARGE A QUANTITY OF IT AS POSSIBLE.”

Mr. *Princep* thought “ that the affairs of India demanded the most minute investigation.”

Mr. *Philip Francis* (now SIR Philip.) “ Sir, I owe it in gratitude to the distinguished FEW, who have had *fortitude* enough to FAVOUR US with their attendance, and, *possibly*, with their *attention*, to this hour, to let them know that they are safe, at least on *my* part, from any very heavy addition to the burthen they have *already submitted to, with so much equanimity*. A long speech now could have no other effect, but to reduce the audience to *nothing*.”

Then follows such a perspicuous statement of the melancholy affairs of the Company, as he had

formerly obtruded on those *exhausted* committees of the house. His speeches appear to have been sent to the press, truly corrected ; but the reader is referred to Cobbett's Parliamentary Debates, Vol. II. p. 978 ; where he will also find a speech of Mr. *Charles Grant*, now a Director, in which he *laments* that the affairs of India are *so LITTLE KNOWN*, and *so LITTLE ATTENDED TO* ! The public, too, will lament, that " existing circumstances " do not induce *him* (Mr. Grant) to *RE-PUBLISH* a *pamphlet*, which was instantly bought up, and which, at an evil hour, *promulgated more truths, than were acceptable to the Honourable the United Company.*

On the 19th of July following, the noble Chairman moved for various papers, in order to illustrate his former ambiguities.

Mr. *Wallace* endeavoured to prove, that the five hundred thousand pounds *per annum*, to be paid the public, *was merely a conditional* thing.

Mr. *Princep*, however, in a perspicuous speech, concluded thus : " more attention ought to be paid to the *carrying trade* ; instead of this, the carrying trade was discouraged, or, at least, was permitted to *go into the hands of foreigners*, as the *Americans*, had chiefly *ENGROSSED IT* ; and by this means *a portion of British capital*, that might be very usefully employed *WAS LOST TO THE COUNTRY.*"

House of Commons, 25th Jan. 1805.—Papers relating to the Nabob of Oude.

Mr. *James Paull* rose, and spoke as follows:—
 “ When I imposed on myself the task of bringing under the consideration of Parliament, the case of the Nabob of Oude, and urging grave matter of charge against the Marquis *Wellesley*, the Governor General of India, I was fully and deeply impressed with the *arduousness* of the undertaking, and with the *difficulties* and *obstacles* I had to encounter. I was aware of the INDIFFERENCE (not to call it by any other name) *that pervades this house and the nation in general*, as to the affairs of India, whether as regarding the *honour* and *good faith* of the British character, or, as connected with the *pecuniary affairs* of the country. What such apathy and indifference *have led to*, I shall not at present stop to enquire; but, *in the administration of the Marquis Wellesley, we have seen India deluged with blood, its princes dethroned, its antient families ruined; and the spoils of our nearest allies added to the resources of the Company, without exciting a sentiment of disapprobation on the part of the British legislature.* I was aware, that in the course of the proceedings, I should have to submit to Parliament, I *had to arraign, to stand forth*, as the accuser of a nobleman, *high in his country's service*, and whose *conquests* in his *oriental career*, have given a *brilliancy* to his admini-

stration, in the eyes of his countrymen; a nobleman, of *extensive influence*, and possessing *powerful connections* in *both* houses of Parliament; and I could not for a moment forget, that the individual who had to surmount these difficulties, was a *new* man, and a *very young* member of this house. So circumstanced, and amidst such difficulties, I have, however, some very considerable consolation. I knew that the motives that impelled me to stand forward on this occasion, were *pure* and *unquestionable*, and the matters I had to urge, plain and simple, *founded on truth and justice*, and standing in no need of eloquence, to force themselves on the consideration of Parliament. I had merely to say, that a prince, the *highest* in rank and dignity of all the powers of Indostan—the *most faithful of all the allies* of the Company, and paying the enormous revenue of nine hundred thousand pounds annually, had, *in defiance of justice*, and *in the face of the most solemn treaty*, been dispossessed of a country, containing upwards of *three millions of attached subjects*, and producing a revenue of nearly two millions sterling yearly, with the alternative of resisting injustice and oppression *by force of arms*, or *experiencing the fate of all those that have attempted to oppose the encroachments of the Company's governors abroad.*" Mr. Paull then moved for papers, which were granted to him.

War in India.—Same day, Mr. *Francis*, apprehensive probably that he should be forgotten, asked a question of the noble chairman relative to the war in India.

Nabob of Oude.—28th June, 1805.—Mr. *Paull* moved for papers relative to the Marquis *Wellesley's* appointment of Mr. *Henry Wellesley* to the lieutenant-governorship of the *ceded* provinces, with a splendid retinue and appointment. Mr. *Francis* also spoke on other Indian topics.

Jan. 27, 1806.—Mr. *Paull* moved for more papers, which were granted after a stout resistance on the part of Sir *Thomas Metcalfe*, a Director.

In this debate, Mr. *Witshed Keene* cordially seconded the motion. “The house and the public were much indebted, he conceived, to the honourable mover.”

Jan. 29th, 1806.—Mr. *Paull* moved “for a copy of the letter written by Mr. Dundas, now *Lord Melville*, to the Chairman of the East India Company, dated 30th of June, 1801.” The letter was ordered.

Mr. *Paull* said, “his object for moving for this letter, was to shew that Lord Melville was so alarmed at the then debt of fourteen millions, due by the Company, as to recommend a *plan* to avoid consequences the most injurious. But,” says Mr. *Paull*, “that debt is now increased to *thirty millions*, in the *thirteenth year* from the renewal of their charter, WITHOUT ANY OF THE CONDI-

TIONS AGREED UPON HAVING BEEN PERFORMED ON THEIR PARTS."

Mr. *Wallace* defended the Company, and would prove, that *wars* had occasioned this great increase of debt.

1st Feb. 1806.—Mr. *Wallace* moved for papers to exculpate Marquis *Wellesley*, &c. &c.

Mr. *Paull* expressed surprise that those papers granted him, had not yet been presented by the Board of Controul.

11th Feb. 1806.—Lord *Folkestone* alluded to the motions of Mr. *Paull*, and moved "for accounts of all the troops and cadets sent out since the year 1793."

Mr. *Paull* moved "for an account of the *specie* and *bullion* which had been exported to India since 1797."

Mr. *Speaker* thought that he ought to have given notice of such a motion ; it was withdrawn till the next day.

Feb. 12th.—On such motion being renewed, Mr. *Vansittart* "appealed to the candour of Mr. *Paull*, whether he should not again postpone the motion, as he knew that a right honourable friend of his, was anxious to be present on that occasion."

Mr. *Paull* acquiesced, and the motion was withdrawn.

Feb. 25th, 1806.—*Affairs of India*.—Mr. *Francis* moved for certain accounts relative to the Pre-

sidency of Bombay. "I well know," says he, "by long experience, that *India, and every question connected with it*, has no attraction for Parliament, or for the public; and that now, as well as on all former occasions, I shall *still* have to contend with the *impatience and disgust* of a *careless and unwilling* audience*. This alone, makes the task too heavy for me, and is more than ought to be imposed on any individual, who has *laboured* for twenty-two years to execute a *most invidious* as well as important service, *without reward, or assistance, or even encouragement from any body*. I advise the house not to discourage the few who may be disposed to investigate the affairs of India. It is every day growing *more formidable* to *this* country; and every thing that relates to our possessions in that quarter, imperiously claims the attention of Parliament." And again, "no Indian budget, you will recollect, was produced in the last session; and the noble Lord (Castlereagh,) who then presided over the Board of Controul, accounted for that omission, because that the necessary documents were not arrived."

Mr. *Hiley Addington* said, "that having just stepped into the seat of Lord *Castlereagh*, it would be very convenient if Mr. Francis would postpone his motion."

Mr. *Charles Grant* "had doubts how far the in-

* The "audience" are reported to have been more attentive in 1693.—How oddly things are managed!

roduction of such papers might be consistent with the general interests of the Company.”

Same day, Mr. *Paull* moved for sundry papers to prove the *insolvency of the Company*. He commenced as follows:—“ Sir, in 1783, India could not be named without filling the benches of *both* sides of this House; but I believe almost the *last* time (in 1800) Lord *Melville* addressed it on the affairs of India, *he congratulated HIMSELF*, that *circumstances were so changed, and the public opinion, and that of the House so favourable, that to its most important affairs, he could hardly bring down sufficient members to form a House!!* I, Sir, cannot possibly join in such congratulation; for, to such *confidence, and to the system pursued for twenty-three years past*, I attribute the growth of an ENEMY, *more formidable to the happiness and prosperity of England, than the flotilla that menaces our shores from the coast of France.*” And again, “ it will not be considered the *least* extraordinary of the circumstances of the present times, that Lord *Melville*, who is now under *impeachment for a violation of the law*, and a high breach of duty, should, in 1793, have brought in a bill for the most important purposes, and drawn up with a care, precision, and solemnity, proportionate to the importance of the subject; a bill, *holding out great political, commercial, and financial advantages*; a bill to guard the *happiness and prosperity* of 40 MILLIONS OF SUBJECTS, AND TO CONTRoul AN EXPENDITURE OF UPWARDS OF 230 MIL-

LIONS; and that, while he is under impeachment, his act *has been violated in every section*, except one, where ‘the breach would have been more honourable than the observance.’ By the act of 1793, after the payment of the military and civil establishment, the act enjoins that a sum, not less than one million of pounds sterling annually, shall be applied for commercial purposes, and remitted to Great Britain to form a part of its national wealth. Since 1798, no sum whatever has been applied to commercial purposes, and *the law has been violated in this single instance, to a sum exceeding eight millions.*” And again, “bullion has been exported to the amount also of *eight millions*, for the purpose of reducing the Company’s India debt, but no part of it has been applied to that purpose.” “The Company, by the 111th section, were to divide 10 per cent. per annum, *after* such India debt was reduced to two millions sterling; this part of the act, AND THIS ONLY, has been complied with; and I maintain that this ought *only* to have been the case, *had funds been remitted from India from the surplus revenues there.*

“Now, Sir, no such thing has been the case. These dividends, Sir, to the amount of 600,000*l.* yearly, *have been paid from property provided in India, with money borrowed at an enormous rate of interest in the first instance, saddled with an enormous commission in the next, to the commercial servants of the Company; and the SALES of this property*

in Europe, (the INVESTMENT, thus borrowed at an interest exceeding 12 per cent., and 10 per cent. commission) have, *I am ready to substantiate, invariably produced a considerable loss.* But, Sir, the payment of these dividends, for which the public must ultimately *be answerable*, ought not to have been paid from any funds *except* the profits arising from investments provided with the *surplus* revenues of India, and *not* payments from funds *borrowed in India, and which have tended to increase the debt to thirty millions, instead of two, enjoined by the law:* all this HAS BEEN A VIOLATION OF THE SAME, A HIGH BREACH OF DUTY, and has tended, amongst other causes, and in no inconsiderable degree, *to produce the state of embarrassment so much to be deplored, and tended, not only to deprive the public of their just, but small participation;* but will, in the end, *saddle them with a debt, which never now can be paid by the India Company, within the period of their charter.* And again. *After the payment of this provisional dividend, the law provides that the Company, in addition to the million of wealth to be yearly imported into Great Britain, which I maintain can be considered in no other light than as an income from an estate belonging to the nation; the company stipulates and agrees to pay into his Majesty's exchequer, in half yearly payments, as profits or direct advantage, a participation of half a million to the public in each year; but, if a failure takes place, it is to be carried as a balance*

to the succeeding year, and may be levied by a suit at law, with a penalty of 15 per cent. for each failure. No payment, Sir, has been made, I BELIEVE, EXCEPT IN THE FIRST YEAR; and the balance now due to the public, amounts to nearly SEVEN MILLIONS STERLING, but which, with interest and penalty, would produce a sum sufficient to pay off thirty-five millions of our national debt! The 115th clause provides, that the surplus funds of the Company shall be laid out in stock, until the same shall amount to twelve millions, which is to be placed, from time to time, in the Bank of England, there to remain as a guarantee fund for the amount of their capital stock; and by the 116th clause, the Bank of England are ordered and required, to produce the amount of such stock, and lay the same before both Houses of Parliament on the 15th of February in each year. No SUCH RETURNS HAVE BEEN MADE; and the public are yet to learn, what stock has been purchased, and whether or not the capital of the Company, on the expiration of the charter, is to be without the guarantee so solemnly stipulated for, by the act of parliament; and by the 121st section, it is ordered and enjoined, that if the directors shall be unable to make good such payments to the public, they shall make representation of such inability to the Chancellor of the Exchequer, or the Lords Commissioners, who are empowered to issue an order, suspending such payments; but are required to

COME WITHIN FOURTEEN DAYS TO PARLIAMENT, AND PRODUCE SUCH REPRESENTATION AND ORDER, and thus obtain the sanction of parliament. Here again, Sir, THE LAW HAS BEEN GROSSLY VIOLATED. Had such yearly representation been made, *long ere this*, I am satisfied, *the House and the public would have found themselves compelled to revise a bargain*, THUS RENDERED NUGATORY, VIOLATED, AND BROKEN IN ALL ITS PARTS." He proceeded to "hope that gentlemen would not shut their eyes to conviction, merely because the question is Indian, and because brought forward by a man, new to this House, and the public. The affairs of India must now *force* themselves on this House, however the *evil hour* may be delayed, and an attack on the purses of the people of Great Britain, and *a certainty*, that after a waste of much blood, and much treasure, they will still be called upon, *perhaps to pay*, CERTAINLY TO GUARANTEE, A DEBT OF FORTY-FIVE MILLIONS."

Lord Castlereagh, from the important situation he had lately held, could not sit silent after such observations.—"As to the sending of *bullion* to India, in payment for its colonial produce, whatever *prejudice* there might once have existed against *exporting bullion*, in modern times it was considered as an article of commerce, which might be *exported without danger in its consequences*."

"As to the superintendence of the Board of

Controul, it had, in fact, been confined, as the law directed, to the *civil and military government and revenues of India, &c.*

Lord *Folkstone* agreed substantially with Mr. *Paull*, and emphatically declared that, "*the act of 1793 had been broken and violated.*" Mr. *Francis*, as usual, made a most able speech, replete with further proofs of the Company's embarrassments: Mr. *Charles Grant* (East India chairman) made a long speech, and deprecated such INDEFINITE researches. Mr. *Secretary Fox* made an artful speech, but did, at this time, oppose the Indian investigation! Lord *Morpeth* said, that the first year's payment only of 500,000*l.* was a notoriety. Mr. *Alderman Princep* "again thought it his duty to say, that some enquiry into Indian affairs, either public or private, should speedily take place; for, as to the *present* system of revenues and resources, he saw nothing in it but *delusion and deception*, highly dangerous in their continuance." Mr. *Johnstone* thought that the Company were not to blame, as it was their *Indian wars* which occasioned their embarrassments. Sir *Hugh Inglis* (director) said, "that the non payments arose from those wars, and also with France: all this, not calculated on, at the renewal of the charter." Mr. *Hiley Addington*, (chairman of the Board of Controul) wished that Mr. *Paull* would *withdraw his motion* for the papers. They were however ordered.

Feb. 27th, 1806.—Lord *Folkstone* moved, “ that there be laid before this House, a list of all *pensions* payable by the East India Company, and a return of all sums of money granted, by way of *gratuity*, by the Court of Directors to individuals from the year 1793 up to the present time, specifying the services and considerations for which such pensions and gratuities have been given and granted accordingly.”

The *Speaker* and Mr. *Perceval* objected, because that no notice had been given. The motion was however carried.

Feb. 28th, 1806.—Mr. *Alderman Princep*, with a view to ascertain the proportions of our *Indian* and *China* commerce, “ moved for returns of the exports, including the *bullion*, since 1st March, 1793.” Ordered.

In this debate Sir *Thomas Metcalf* declared, “ that Mr. *Francis* might boast as he pleased, but *he* had never considered him as the Company’s friend,” &c. “ As to the allegation of *reserve* in the Court of Directors, they were, *by their oath*, precluded from presenting any one paper without the consent of the Board of Controul.

March 3d, 1806.—Mr. *Huddleston* (a director) wanted to get rid of the motion relative to the account of *bullion* exported. He declared, that the evils which now oppressed the Company, *were not imputable to the directors*.

March 5th, 1806.—Mr. *Paull*, on moving for

further papers, was asked by Lord *Temple* and Mr. *H. Addington*, how soon he meant to bring forward his charges, &c.?

March 10th, 1806.—On the motion of Mr. *Johnstone* for papers, Mr. *Secretary Fox* made another subtile speech, which was cheered by Mr. *H. Addington*, Mr. *Charles Grant*, Mr. *Huddleston*, and Lord *Temple*. The papers were ordered.

March 10th, 1806.—Mr. *Johnstone* moved for certain letters, &c. relative to Lord *Cornwallis* and Sir *George Barlow*; and they were, after a *most important debate*, ordered without a division. Mr. *J.* said that, “it was full time for parliament to lay down some *fixed* principle, and he hoped the Right Hon. Secretary *Fox*, would consent to the papers moved for, and would, in practice, *pursue* those principles which he had *so often professed* on Indian affairs. He thought, that government should now declare the *precise plan* on which they meant that India should be governed in future,” &c. Mr. *Fox* said, “he should not oppose the motion. He still entertained the same sentiments relative to India. He had supported the resolutions on which the act of 1793 was founded. By that act a Board of Controul was appointed, and its conduct had been *praiseworthy*. Under all circumstances, he did not think that, the government were legitimately called upon to alter the policy of Indian controul.” Mr. *Charles Grant* reprobated the Asiatic conduct of

Marquis Wellesley. Mr. *P. Francis*, as usual, gave a most luminous, yet awful, description of Indian affairs; and in quoting Lord *Cornwallis's* letter to the directors, 9th August 1805, it appeared, that the successor of the Marquis Wellesley found, “ that unless *some very speedy measures* were taken, it would be impossible to meet the contingency of war; that the most burthensome part of the expenditure was 60,000*l.* per month, to *useless* irregular troops; at this period, *your regular troops* are but little *short of five months*, and many of your public departments, on which any movement of your armies depends, STILL MORE IN ARREARS OF PAY; we complain,” says Mr. Francis, “ of state secrets being divulged; now Sir, I remain to be convinced, that, *out of Calcutta, and above the rank of a Banian*, there exists a Hindoo, a Mahommedan, or a Mahratta, *who ever did or could read, I believe I might safely add, WHO EVER HEARD OF AN ENGLISH NEWSPAPER!!*” And again, “ as long as I have a seat in parliament, I shall watch and take care, to the utmost of my power, to prevent *the finances of Britain, from being ruined by those of India*. I have now passed more than thirty years in endeavouring to support the lawful authority of the East India Company over their nominal servants abroad; to guard their rights, and to protect their property from ruin. I have laboured to preserve the peace of India, and to shelter the native

princes OF THAT UNFORTUNATE COUNTRY, from *injustice, conquest, and oppression*. IN THE EXECUTION OF THESE LABOURS, I CONFESS I HAVE HAD NO SUCCESS, NOR SCARCE A GOOD WORD FROM ANY MAN: the only duty that is now left me, the only *chance* I yet have of being useful, either to this country, or even to the Indian Company, is to *protect England, not against the Company, BUT AGAINST INDIA AND ITS GOVERNMENT.*”

March 11th, 1806.—Lord *Ossulston* greatly distinguished himself in a motion for papers relative to the Company’s debt.

Lord *Temple* urged Mr. Paull to bring forward his motions relative to the Marquis Wellesley.

Mr. *Paull*, in a most perspicuous speech, accused the Marquis of “high crimes and misdemeanors,” and moved for papers, which were ordered.

March 14th, 1806.—Mr. Alderman *Princep*, for the purpose of giving the public possession of a fact “*of the highest national importance,*” moved, “that there be laid before the House, lists of all ships and vessels navigating under *Portuguese* or *other* European colours, and *American*, which have entered inwards and cleared outwards, from the ports of Calcutta, Madras, Bombay, Colombo, Surat, and Prince of Wales’s Island, and the subordinate custom houses thereof, from the official year 1800—1, inclusive, to the latest period re-

ceived ; together with their tonnage, and the value of their respective cargoes, so far as the same can be made out ; also of all British shipping, not chartered in Europe, which have cleared out from those ports for London during the same period.”

“ Upon considering this return,” he said, “ it would be seen *what return* was made to Great Britain, for the PRICE she has paid for the PURCHASE of our Indian territory ; for the expense incurred in maintaining it, and for the anxiety generally existing with respect to its concerns. The fact was, the *British share* of Indian commerce was a very inadequate recompense for the quantity of *population* and *wealth* which Great Britain was ANNUALLY in the habit of EXPENDING FOR THE SUPPORT OF OUR DOMINIONS IN INDIA. FOREIGNERS enjoyed a share of this trade, which, compared with our own, the Company and private traders included, BORE A PROPORTION OF NOT LESS, HE WAS CERTAIN, THAN THREE TO ONE.”

“ By treaty,” says he, “ some (the United States) enjoyed the right of traffic with our territory, and some, possessed territories of their own. With all this, he did not wish to interfere. Yet, *from whence* came the capital disposed of in India by the AMERICANS and OTHER traders ? According to the statement, handed to him by an uninterested gentleman just returned from India, he found that in the harbour of *Calcutta* alone, there were in 1800—1, no less than

26 American vessels, in 1802—3, 32 ditto, in 1803—4, 27 ditto, and in the last year 29, together with 10 Portuguese, 2 Danish, and 1 Swedish. This was evidently a most inordinate proportion of the India trade. But the *value* of this commerce might be estimated from this circumstance, that in 1804, the sum paid, for only *six* articles of commerce at Calcutta *alone*, amounted to no less than three millions sterling.

“ The *bullion* imported into Bengal by those *neutrals*, during the four last years, (*exclusive* of that laid out by the East India Company) *exceeded nineteen millions of dollars*, and their *importations of goods, of last year alone*, amounted to 5,300,000*l. sterling*. He was induced to bring this matter forward, solely from public motives, and *not at all* with a view to urge the *private traders* to press their complaints at present.” Mr. *Francis* seconded the motion in an important speech. Amongst other things, “ I hold it, Sir, impossible for *such a trade* to exist, without a *constant balance in specie*, more or less being actually paid by the European merchant for Indian *produce or manufactures*. In addition to the Hon. Alderman’s statement of bullion imported there, *we know that within a very few late years, the India Company have poured into Bengal and the other presidencies, a supply of specie, not far short of seven or eight millions sterling.*”

“ But,” says he, “ in a territory whose revenue

exceeds fifteen millions sterling, with all this *immense influx* of foreign specie, how does it happen that there is no circulation of specie in Calcutta, or in any of the Company's other presidencies or settlements? No, not a rupee. The only medium of circulation in all those principal places at least, is paper, and that of the *worst* quality, and most injurious to the government; viz. *company's notes*, or *bonds*, or *securities*; the *name* is immaterial, with a *heavy interest*, convertible at short intervals *into capital*." And again, "does this specie and this merchandise, thus imported, actually *belong to such neutral flag*, not only to the exclusion of *British private traders*, but even, in a considerable degree, of our chartered company? Is it a question to be thought of *with indifference*, whether *our own West India Islands* shall be supplied with the manufactures of our own Bengal, AS IN FACT THEY ARE, BY AMERICAN CARRIERS? *Is that immense carrying trade* to be taken from the INDUSTRY and NAVIGATION of GREAT BRITAIN, and made over to *Sweden, Denmark, and America*? I SAY YOU MUST CORRECT YOUR INSTITUTIONS, IF THAT BE THE EFFECT OF THEM. Again I ask, with *what capital*, with *whose money*, do these *foreigners* conduct this trade, to and fro, with *our proper settlements and colonies*? Is it their own, or is it *British* property? If it be the latter, *as I suspect it is*, for the *most part*, why should we transfer the use of such a capital, and the profits

of such a trade to *foreign* carriers? Is it RATIONAL that BRITAIN should bear the *whole expence and burthen* of these distant settlements, and that the only return they can make us should be IN-GROSSED BY STRANGERS? Another question, WHERE, IN FACT, ARE THESE FOREIGN CARGOES, WHICH ARE DESTINED FOR EUROPE, DISPOSED OF? not in poor Sweden, Denmark, Holland, or desolated Germany; THEIR REAL MARKET IS IN THE BRITISH ISLES."

Mr. *Charles Grant*, amongst other very important observations said, that the question between the company and individuals, as it relates to trade, would some day resolve itself into this, "HOW FAR BRITISH INDIVIDUALS SHOULD PARTAKE WITH THE CHARTERED COMPANY IN THEIR COMMERCE." *Whenever we are at war*, all the neutral nations of Europe and America, must carry on the Indian trade with *more advantage* than either the Company or the individuals of this country can. They save *war-insurance*, they *navigate cheaper*, and they sail *at the most convenient times*. The AMERICANS, undoubtedly, avail themselves of this state of things, *and in a way contrary to the letter and spirit of the treaty of commerce and amity made with them in 1794*. By that treaty, they were allowed A DIRECT TRADE BETWEEN OUR SETTLEMENTS IN INDIA AND THEIR OWN PORTS IN AMERICA. They *now carry on a circuitous trade between India*

and foreign Europe, in violation of that treaty, and they even supply our own colonies with Indian commodities."

Mr. *Secretary Fox* " had *some doubts* upon the subject. At this moment negotiations were going on with the United States of America. Such states had had a representation respecting their having abused the treaty of 1794.

Mr. *Princep*, in reply, said, that to the position of the honourable chairman Mr. Grant, that during war, not even *the individuals of this country* would be enabled to cope with *foreigners*; he happily entertained a more cheering confidence: *experience* had taught him that *raw materials, produce of various kinds, and coarser commodities* than the assortments in which the company traded, though *more bulky*, and therefore *more beneficial* to the support of our carrying trade; that those very articles, in which *foreigners now dealt almost exclusively, might be brought home by British traders, IN THEIR OWN SMALLER-SIZED AND CHEAPER-EQUIPPED VESSELS, WITH CONSIDERABLE PROFIT TO THE TRADER, AND TO THE GREAT ADVANTAGE OF THE REVENUES OF THIS COUNTRY. A sufficient supply of the RAW instead of the MANUFACTURED material, would accelerate the period which he saw approaching, when the natives of India shall be supplied with cloth* made here of*

* See the author's remarks on this article:—He can prove those assertions at the bar of a House of Parliament.

their own cotton, leaving to the mother country all the profits of freight, agency, commission, insurance, and manufacture. All these, and many other beneficial results, would follow an extension of the privileges of the private trader, if no time was lost in taking up the question to which his motion tended; but he should bow to the high authority of my Lord Petty, and the treasury bench, and withdraw his motion. The honourable director, however, (Mr. Grant) declining to bring forward such papers as he (Mr. G.) admitted would have attained his ultimate object, he must say, shewed a disposition to blink the question."

Lord Castlereagh "was of opinion that a commercial question of such magnitude and importance to the interests of India, and of this country, should not be brought before the House on any *partial* statements. But he deprecated all discussion on matters which were the subject of negotiation with *America*. He wished such points to be left to his majesty's ministers *in the most comprehensive manner*. Had he remained longer in the office of the Board of Controul, he had intended to have carried into effect, the annual exposure of the Indian exports and imports. Mr. *Princep* withdrew his motion.

17th March.—Mr. *Paull* complained that the papers, ordered on the 26th of January, were not yet on the table.

Several apologies by Mr. *Wallace*, Lord *Castlereagh*, and Mr. *H. Addington*, and also by a Mr. *Kerr*, who reprobated the practice of moving for papers of such magnitude, under pretence of criminating Marquis *Wellesley*.

Mr. *Paull*, in another able speech, moved for further papers, which, with the amendment of Mr. *H. Addington*, “so far as these various documents may be disclosed, without prejudice to the public service,” were ordered. But in this debate great discoveries were made relative to the actual design of the parliamentary leaders.

19th March, 1806.—Mr. *H. Addington* (chairman of the Board of Controul), moved “that a certain order already agreed upon for the production of papers relative to the Rajah of Bhurtpoore, should only extend to such as may be disclosed “*without prejudice to the public service.*” This motion produced such opposition from Mr. *Francis* and others, that it was withdrawn.

31st March, 1806. *House of Lords*.—Upon a motion of Lord *Holland*’s relative to the American intercourse with the West Indies, the Duke of *Montrose* complained, “that such intercourse gave the Americans additional facilities to import into our colonies the produce of the East Indies, at a low rate, thereby excluding the merchants of this country from a beneficial source of trade.” But neither the Lords *Grenville* nor *Holland*, who

followed, alluded to this observation of the noble duke.

16th April, 1806. Debts of the Nabob of Arcot.—Mr. *Francis* made a motion relative to the debts due to that nabob. In this very intelligent speech, Mr. F. lamented the absence of Mr. *Wm. Smith*, member for Norwich, but especially of Mr. *Sheridan*, “the *now* treasurer of the navy, so well informed on Indian affairs.” “Surely,” says Mr. F. “the *volcano* of that gentleman’s genius could not *yet* be burned out?” Mr. *Paull* seconded the motion.

Mr. *H. Addington* (Board of Controul) was GLAD that Mr. Francis, notwithstanding his resolution, still persevered in investigating Indian affairs.

18th April, 1806.—Mr. *Paull* complained that certain papers were not yet produced; and Mr. *H. Addington* and Mr. *C. Grant* promised them forthwith.

Sir *A. Wellesley* desired to know the nature of the charge which Mr. *Paull* intended to make against his brother the marquis. Mr. *Paull* explained it; and on moving for further papers, he found the tone of Mr. *Witshead Keene* somewhat changed. “It was impossible,” says the latter, “but a governor general of such an immense empire as India, might be obliged, in some cases, to VIOLATE the strict letter of the law, and yet deserve the thanks of his country.” Mr. *Francis*,

amongst other things, remarked, "that he might, like Mr. *Sheridan*, find it his duty to be *absent* on Indian business, when it was his duty to be *present*." Note, called to order by the chair. Mr. *Secretary Fox*, in his usual OFFICIAL style, spoke generally, but evidently displayed his *aversion* to this great research into Indian affairs. Mr. *Wm. Smith* rose to declare, that he should have attended the preceding discussion, if he had not been engaged in ascertaining the *opinions* of the right hon. Mr. *Sheridan*; but that they both would, in future, attend.

21st April, 1806.—Lord *A. Hamilton* moved for papers relative to the administration of Marquis Wellesley, but negatived by the previous question, moved by Mr. *Secretary Fox*, 121 to 27. Amongst the former were Lord H. Petty, Lord Temple, Mr. *Sheridan*, Mr. H. Addington, Lord Castlereagh, &c. Mr. *Wm. Smith*, although he would not oppose the introduction of the papers, yet lamented that *the difficulties of ministers* should be increased, and their minds DISTRACTED by any *Indian* questions."

22d April, 1806.—Mr. *Paull*, at a late hour, brought forward his first charge against Marquis Wellesley. His speech was completely persuasive; but the speaker apprehended that the framing of his motion was irregular; Mr. *Paull*, however, moved that such charge "should be taken into consideration that day three weeks." The

speaker enquired, who seconded the motion? After a long pause, and *cheering* from Lord Temple, Mr. H. Addington, &c. Mr. Paull observed, that " IF the noble lord to whom he had before alluded, (LORD FOLKSTONE) had been in the House, he should not have wanted a seconder!!" Another pause took place, when Sir *Wm. Geary* rose and seconded it, " not that he conceived the noble marquis *guilty*, but that the accuser should have an opportunity of proving such serious charges." Mr. *Secretary Fox* " understood that the honourable member had not documents to support his charge. He had named a day, however; if then he were not able to substantiate them, *he would find himself in a very unpleasant, and in a very awkward situation.* The honourable gentleman was to judge for himself. HE WOULD RECOLLECT THAT HE PROCEEDED AT HIS PERIL; and if he had at present, no documents to support his charge, he should lose no time in moving for them." Mr. *Paull* said that he held the list in his hand, and should that evening move for them. Mr. *Robert Thornton* (a director) reprobated the conduct of Mr. Paull. Lord *Temple* hoped that Mr. Paull " would, in a manly way, RETRACT his opinions of the conduct of the noble marquis." Mr. *Garrow's* maiden speech was admirably adapted to silence all enquiry; so were those of Mr. *Sheridan*, Mr. *Grant*, Mr. *W. Pole*, (who was now *delighted* that Mr. Paull " appeared in a *tangible shape*,") and

Mr. *Perceval*, &c. &c. Mr. *Sheridan*, indeed, exculpated himself from inconsistency, by saying, that his anathemas were against the *Carthage* war, *not one word against the noble marquis*. Mr. S. also hinted that the opposition of Mr. *Francis* arose chiefly from disappointment, in not having another Indian appointment. Mr. S. then moved the House to *rescind* the order for printing the first charge against the noble marquis.

23d April, 1806.—Mr. *Sheridan*, after a most severe and critical allusion to the manner in which Mr. *Paull* had brought forward his charges, moved, that “ the order made yesterday for printing the article of charge of high crimes and misdemeanors against Marquis Wellesley, *be discharged*.” Mr. *Wm. Smith* said, “ he had no opposition to the motion of his right honourable friend ; he thought those charges should not appear before the public, because, as yet, there appeared no evidence to support them, and it was but justice to the character of the noble marquis, to withhold from the public, aspersions upon it, until there was some evidence to support it ;” and again, “ if Mr. Paul undertook this business *without any assistance*, his conduct is very *impolitic* and *rash* ; yet, *he might have been treated with kindness, and not as in the manner of which I was unfortunately a spectator*”—(alluding to the cheering of Lord Temple, &c.) The question was then put and carried.

28th April, 1806.—Mr. Paull moved the printing of his first charge. In this able speech he says, “ has the Marhatta war ever yet been justified? Has the noble marquis ever yet been exonerated from the breach of the laws of his country? Has any man desired Mr. Francis to retract his opinions, promulgated in this House, and in printed pamphlets, with the name of the author? Yes, the crimes committed in the Carnatic, and the charges of Mr. Francis and Mr. Sheridan are allowed to pass *unrefuted, unattempted to be contradicted.*” Mr. Paull quoted a letter from the Marquis Wellesley to the supercargoes at China, dated Bengal, Feb. 11, 1800 :—“ Unless early relief be afforded to the finances of India, by a large supply of *bullion*, the public credit will suffer. The investment in India, for the present year, must be reduced to a low scale, and I entertain the most serious apprehensions, that I may not be able to provide the necessary means of exertion against the common enemy.” “ In consequence of this representation,” continued Mr. Paull, “ he obtained from the supercargoes 125,000*l.* at an expence to the company of upwards of 12,000*l.* and which, instead of retaining for the defence of India, he squandered in the shameful manner stated in the charge.” He then gave a comparison of the situation of India in the *first* administration of Lord Cornwallis.—“ At the moment of his *second* arrival in India, the Indian debt exceeded 31 mil-

lions, and 5 more would be wanted for the following year. Lord Cornwallis then was obliged to seize upon the TREASURE destined for China, to recruit an empty treasury, to meet loans all over the country, and at war with Holkar, and threatened with a conspiracy *to drive us out of the Peninsula.*" And again, "if I had met with the wonted lenity and liberality of this House, I should have been spared much trouble, and you the *scene* it witnessed on Tuesday last; but I have escaped unhurt, and perhaps others may hereafter (*the accused nobleman certainly*) have occasion to lament the proceedings upon that occasion. THE SHOUTS of the noble lord (LORD TEMPLE) on that evening, *in cordial cry* with the right honourable member of the Board of Controul (Mr. H. ADDINGTON) *in consequence of a pause that will be long remembered*, will, if I mistake not the character of the *English nation*, be turned, though they may not confess it, *to the grief and bitterest sorrow of both*: at least, they will be taught NOT TO SHOUT UNTIL THE ENEMY HAVE FLED,—UNTIL THE BATTLE IS DECIDED."

29th April, 1806.—Mr. Meheux, from the India Board, presented certain papers; and on Mr. Paull's making some observation on their quantity, &c. he was called to order; on which he complained that he was the only person so *strictly* attended to.

The subsequent proceedings (to the present moment, Sept. 1811), are of a similar tendency. The India opponents, in the Houses of Parliament, pretend to discover complete ruin in the Company's affairs, whilst the Board of Controul, and Directors, repel the attacks, and present glowing and exhilarating prospects. All this, however, becomes immaterial to the question, of "a free and open trade for all his Majesty's subjects."

PART II.

OBSERVATIONS. *and* **DEDUCTIONS,**
arising from the preceding Data.

OBSERVATIONS, &c.

WHATEVER might have been my reluctance, or doubt, before I resolved to investigate the actual state of the honourable East India Company's oriental connection, my mind is relieved, and my confidence is established, upon the re-perusal of the preceding volume of data. Bigotted, or prejudiced, indeed, must that person be, who, after its deliberate examination, is not only a complete convert to the absolute necessity of regenerating this gigantic mass of medley oriental domination and commerce, but is become even, an active advocate for an **OPEN TRADE** to the vast and various regions beyond the Cape of Bona Esperanza.

In ordinary, and in more contemplative times, such convictive evidence would, of itself, urge good citizens forward, to boldly descry, as their fancy would lead them, the specific path to that expansive field, which is thus, after a long impervious labyrinth, presented to the aggregate of national enterprise. But, confidence must be the handmaid of discretion; it is a monstrous excrescence on the body politic, which is to be removed; and an injudicious cautery might produce an aggravation of evil.

The habits also of 211 years must be respected.

The power, public and secret ; the interests of that extensive body, which either in its foreign or domestic meanders has, as it were, almost naturalized this political *lusus naturæ*—this encroachment upon the first rights of every people:—all these we will regard. A due reverence must be also paid to the institutions, however obtained, or now obviously unwise, of our ancestors. And this, of itself, would have resolved me to dilate on the preceding data ; never forgetting that, whether such obnoxious institutions were through the arts of deception, or of corruption, there were *two* parties concerned ; *the donor*, a government, ignorant or wicked, and *uncontrolled* in its acts, by a slavish, or a degenerated people ; and there was also a sordid, or a base *receiver*.

For the sake of perspicuity, rather than for the display of any pedantic conceits, I shall preface the subject by a superficial view of our commercial system from the earliest times, and under the following heads ; premising, as the grand commercial principle, *a priori*, of all rational and civil government, “ that the *general contribution to the public expenditure* entitles *every individual* to all the advantages of the state, to the extent of his mental, or his physical powers.”

What was our commercial scheme before William the Conqueror ?

From that period to the reign of Elizabeth ?

From Elizabeth to William III. ?

From William III. to the present time ?

Before the time of William I.

From the earliest accounts of this, and almost of all countries, we discern, that, from the original tribes, or hordes, to the conquest by William I. the chief or king was selected in consequence of some traits of valour, or of superior judgment; and that, with few exceptions, ALL were consulted in general business, either in their folkmotes, where even sheriffs of counties were elected *, or, in that more deliberative, and select body, aptly denominated a Witenagemote. In those times, *exclusive* privileges would have been impossible; unless, indeed, granted for some signal service to the commonwealth. To justly appreciate the actual advantages of that epoch, it would be necessary to be better acquainted with

* The people's antient right, in Edward the Confessor's time, or before, was in their Folkmotes, to choose an *Heretoke* (a baron, or person of quality,) in every county, in the nature of a Captain, who had the *power* of the county and *militia* in every shire. "*Sicut et vice comitates provinciarum et comitatum eligi debent per singulos comitates in pleno folkmoto,*" as sheriffs of provinces and counties ought to be chosen in every country. This obtained, until violated by Henry III. although then resisted by force on the part of the people. This power was, however, again confirmed to them by the act of Edward I. ch. 8 and 13. "Forasmuch as the King has granted the election of sheriffs to the commons of the shire, where such are not of fee, &c." And again, by the 12th of Edward III.

Lambard's Archaion, p. 35. de Heretoches.

the wise institutions in the times of Arthur, Alfred, or of Edward the Confessor. The *common law* of this land, however, which is almost unexceptionably founded on the soundest powers of reason, will be a lasting and splendid memorial of the wisdom of those men, who inhabited our soil before the conquest of William I.

From that period to the reign of Elizabeth.

With the Conqueror came feodal tenures, and a ramification of arbitrary government, through an host of petty kings, under the denomination of Barons. These, 'tis true, did homage to the King, of whom they held their lands, *in capite*: but the mass of the people became slaves; held not an hide of land; and were obliged to obey the orders of their local chief. It was of little consequence whether the Prince, or their task masters, the barons, were predominant; their situation continued deplorable. It is true, that as they suffered by the arbitrary sway of the Monarch, their aid to the barons generally conveyed chastisement, or overthrow, to the tyrant; yet it cannot be disguised, the mass of the *people* were neither *designed* to be, nor were they, substantially benefited by any of the revolutions, until the reign of Henry VII.—Even the boasted charter of Runnymede was not dictated for the people's weal; and, but for Henry VII., it is doubtful whether a single monarch, or a single baron, would have been found for many a

century, magnanimous enough to display the descendants of Alfred, and of Edward the Confessor, once more within the pale of rational society.

Henry VII. however, soon found, that, *unless* he could give a free representation in parliament, (which his mind was not, perhaps, prepared for,) and by such liberality throw himself on the popularity of the nation, he had no chance of securing his usurpation, but by suffering the barons to *alienate* their immense property, and by encouraging a *spirit of trade*, and even of *foreign commerce*.

These measures also tended to replenish his coffers, and rendered him independent of the assistance of his sturdy and overgrown barons. This prince was alike politic and avaricious. There is little doubt, but, if Columbus could have rendered him a pecuniary consideration, Ferdinand and Isabella of Spain would not have had the honour of that navigator's discoveries.

From the conquest to this reign, none can have certain data, from whence to ascertain what were the efforts made to expand the arts, and to enlarge the commercial sphere ; for no parliamentary records are *published*. We must, therefore, await the unfolding of the *rolls of* their precarious *parliaments*, (such as they were,) of other *state papers*, or of *rare memoirs*, carefully entombed in the archives of the nation, or in those of private life.—

But, it may be safely asserted, that the advance of the million, towards the threshold of knowledge and of rank, was precarious and forbidding.

It appears, however, that by the gifts which accrued to the Crown, from the charters granted to the trading companies of the metropolis, and to the provincial trading towns, that the whole was a system of *exclusive* privilege. The local trade, whether it were London, or an obscure chartered borough, was regulated by the mayor of a corporation, or the warden of a company. All who could not subsist under the chilling hand of domineering and partial agriculture, sought the protection of these municipal sanctuaries before they could exercise any trade or ingenuity. Thus, then, cities and towns sprang up from the emigrations of the village and the hamlet. But these hives of industry were not permitted to make hasty strides in the arts: this would have *approximated* them to the equestrian order. No: these municipal charters and privileges were *incessantly remanded and repurchased*; sometimes under the pretext of war, or forfeiture; or, as in those of the *country*, "they had not amply lodged and sustained the armed forces of the state:" for, in those times, the military, as well as civil expences of the government, were arbitrarily collected, and *every* lucrative situation was sold and mortgaged, *rather than that the mass of the Monarch's subjects*

should, through the medium of a virtual *representation*, emerge from slavery, from penury, and from ignorance !

Thus much for our *internal* commerce, generally speaking. Our *external* relations were but on a slender scale.

The original staple of tin was eclipsed, at least, by its successor—of *wool*. Yet such were the improvident measures of the government, that this grand appendage to the production of Cornwall was almost wholly exported, and the woollen garments of the island were actually manufactured in the Low Countries, in Germany, and in France. This ruinous policy generally obtained, until the expulsion and arrival of the Flammands. These established that great branch, the woollen *manu-*factory, in the Wilds (Wealds) of Kent, and of Sussex. After a series of years, the lower price of labour transferred it into the Western counties ; and, ultimately, Huddersfield, and the West Riding of Yorkshire, presented themselves, and divided the toils of that new staple, as we witness at the present day. •

The *silk* manufacture had, indeed, at an earlier period, attained a great perfection, chiefly through the persecutions of Lombardy, the Pais de Vaud, the Grisons, and that in Languedoc. It dispensed great internal consolation, and presented the most enviable prospects ; but, in the sequel, was improvidently blighted, by the *shameful*

privileges which the *East India Company* possessed, and began to exercise, from the early part of the reign of James the First.

I have already stated, that Henry VII. was the first who granted foreign roving commissions. The "Merchants Adventurers," and the "Greenland Company," indeed, had been previously and long established; but the *boom* for such exclusive charters having been only found among the rich citizens of the London chartered companies, and who therefore engrossed 8-10ths of the kingdom's trade, those two company's ulterior operations most seriously tended to *contract*, rather than to expand, the industry of the natives; and, as a proof, it is ascertained by the preceding state extracts, that in the time of Edw. III. *before* the establishment of the former there were greater exportations of *cloths*, even than in that of James I. or at a later period: and, in this latter reign, it was deemed a sufficient satisfaction to the injured pretensions of Hull and of York, that they should actually participate in the Greenland trade, with London, in the paltry amount of 500 tons of shipping.

Having thus descanted generally on the situation of our commercial relations, during a period of usurpation, of war, and of violence, and from which the philanthropist will gladly retire, I shall briefly remark, that in the reign of Philip and Mary, the observer is attracted towards judicious attempts in the Commons to promote the welfare

of society, (see Part I.) ; but they were stifled by the hand of power,

From Elizabeth to the time of William III.

In Elizabeth, we have to investigate the conduct of a profound woman. Like her predecessor, and her father Henry VIII. she knew that a *free* parliament, and an *unrestrained* commerce, would be incompatible with her scheme of arbitrary sway. Yet, such was the force of national habit, and stimulated likewise, by the commercial enterprise of the low countries, and of Holland, it was not possible for her to avoid every plausible encouragement to national industry. Thus were her visits to her manufacturing towns periodical ; but after a long and dark reign of hypocrisy and of misery ; after she had recruited her coffers, or enriched her minions with the douceurs of *privileged companies*, she appears, by her “golden” and last speech, to have relented of so shameful a prostitution of the public weal. If I could, in compassion to her memory, somewhat extenuate her main commercial action,—the exclusive charter to the East India LONDON merchants,—I would hope that she had some conscientious motive. She had periodically surveyed the cheerful weaver’s abode ; her mind might feel true contrition for her manifold acts of arbitrary sway, her contempt of parliaments, her *unpardonable* (as man speaks) conduct towards her less fortunate sister queen, her reflections (see

her "golden" speech) *upon the great day of account!*—all this, and perhaps the lure of a present to some deserving favourite, an Essex or a Leicester, might have induced her to grant this exclusive advantage for 15 years; and also taking fairly into consideration the PROFESSIONS OF PIETY, which have in ALL times distinguished PRINCES, it may not be too much to say, that, as in the *original grant* to the "merchants adventurers," her main stimulus to this great oriental ultra-marine, might be a wish *to enlighten the gentiles*, and to be the glory of that *christian faith* which her *infamous father* had impiously prostituted at the sacred shrine of liberty and of truth! Gratitude might also actuate her; for, such was the progress of the *exclusive* scheme of commerce since the time of Henry VII. that we find, to contend against the armada of Spain, in 200 vessels, no less than 163 were furnished by these merchant adventuring Londoners and the Cinque Ports; and when, subsequently she would have avenged this insult in Portugal, 163 in 170 ships, and 13,000 troops were provided, and *troops sustained* there, from some general coffer of these chartered gentlemen.

This, however, to her, and to every tyrant, was better than to have had despotic acts *controlled* by the representatives of a *free people*. Elizabeth knew better; and, mark their base degradation, even to the termination of her reign!—representatives, (again see "golden" speech,) *whose unces-*

tors had selected a *chief*, and consented to a code of regulations for the *general* and *reciprocal* weal, *kneeling on both knees*, to receive the last dying speech and confession of a princess, who had exercised her superior talents, only in the trammels of deception and of slavery !

If any hapless admirer of this princess should deem me severe, I beg him to remember, as *sound* and *fundamental law*, “ that *nothing* can be done in a *well ordered free state*, by the king’s grant, letters of patent, or any act of his, as to the persons, goods, lands, liberties of the subjects, but must be *according to established laws*, which the *judges* are *sworn to observe* and *deliver* between the king and the people *impartially* ; to rich and poor, high and low, and therefore the justices and ministers of justice, are to be *questioned* and *punished*, if the laws be violated, and no reflection to be made on the king. Here then is the definition of the axiom, *the king can do no wrong* ; and thus are illustrated the true rights of the subject, SALUS POPULI SUPREMA LEX, or, in a more simple term, the British constitution in *theory*.

It may be rationally supposed, that a people, thus debased, sought with eagerness the arrival of the successor of such a queen. King James was destined to preside over a nation whom the enlightened historian, Hume, imagines were not aware that they possessed more liberty than the French people. I so far differ from Mr. Hume, as

to suppose that they possessed *less*; because that, otherwise than on the continent, these islanders yet retained the blessed germ, transmitted from times anterior to the conquest; and such a people were therefore more susceptible of the oppressions of tyranny, and therefore less free than the French.

King James's procession from Scotland to London, was a continued series of acclamation and of hospitality; national and religious feuds were at rest; every thing conspired to introduce this prince with éclat. His birth, his great exaltation, in whom was for ever consigned to oblivion, the contentions of the 'white and' the red roses; his pretended learning—*but mark the sequel*—the hour was not yet arrived (O, may it soon arrive!) when it should be ascertained, that *an equally poised government only*, constitutes the true source of happiness to a monarch and to a people.

This king, then, as if he had no other wish but to unite the two kingdoms, began to soothe the minds of the independent gentry, by an immense creation of baronets and other titles; and when, from the base acts of his ancestors and his own, he found the table of the Commons loaded with petitions and complaints. he bullied, he erased, he prorogued, he dissolved parliaments. Can we then wonder (not satisfied with his voted subsidies), that his dear and faithful countrymen, such as the Earl of Leneux, &c. that his beloved relatives in

Bohemia, should require all that could be obtained by such charters as those he repeatedly gave the East India Company ; and especially that of the 7th of his reign, which solaced for all their perils by sea, and perils by land, by a grant *for ever* !

On the contrary, there cannot be a doubt but, if the whole North American continent had been asked for, *and paid for*, it also, as with the South American coasts, would have graced this munificent royal donation.

I shall hastily pass over the melancholy period of his successor's reign. Suffice it, that Charles I. proceeded in the steps of his improvident and "absolute" father, and he ultimately made atonement for *his* vices, and those of his ancestors, rather than for his own.

In fact, the oppressions of the people, were arrived at the pitch of indurance. Learning and knowledge too, thanks to commerce (*not* East India), and *the blessed art of printing!* had obtained a preponderancy, and a complete overthrow of the monarchy, was the consequence.

It was, however, a *great national error*, and a crime, to immolate a sovereign, or a chief magistrate. By a reasoning congenial to what may be found in page 131, I contend, that the crimes of the chief ruler or magistrate, are *derivable from*, and are *corroborated* by an *ignorant*, or by a *vicious* people. King Charles, Henry of France, Peter of

Russia, Gustavus of Sweden, under the *former*. Louis XVI. was the martyr of the *latter*.

I have said, that the mass of the people demanded a free and virtual share in the government; deception could no longer avail. I could go further; if the tyrant Cromwell had permitted that *essential* to every free people, the house of Stuart would never again have visited these realms.

To counterbalance, however, this restriction on the people, Oliver amused them with their too natural bent for foreign subjugation, and, in his vigorous efforts against the Dutch, he not only exalted our naval power and prowess, but (and chiefly by this contention for maritime superiority, and continued by his two successors) it nearly destroyed the Dutch Oriental Company, and thus enabled ours to purchase those repeated prolongations of privilege, which we remark, until the time of William III.

It must likewise be admitted, such was the comparative progress of the arts and of industry, during the interregnum, that the return of Chas. II. can only be accounted for, - from the disappointment to the mass of the people, of a government *without* parliaments, and to certain promises, to restore them in purity, made by the exiled king before his arrival.

This monarch's time, nevertheless, appears to have been devoted to a series of sensuality and

corruption*. The parliament was occasionally held, but a *great state secret* was ascertained; methods were adopted to MANAGE A HOUSE OF COMMONS. It was a most promising embryo—it was at perfection *after* the arrival of William. We will illustrate this. The fountain of honour was incessantly supplied by the full flowing streams of monopolising GRANTS; aye, even down to the sealing of a will or an indenture. But the GOLDEN recruit, as in the earlier days, was unquestionably from the once tranquil, now sanguinary, current of the *Indus* or the *Ganges*.

King Charles, and his brother successor, were *not* men of inferior talents. To govern without a revolution, so enlightened a people, and by such means, required more than common capacity. It is true the people were disappointed, but the revolution of Cromwell was by no means forgotten. The church, however, and the nobles, were with the king and his measures, because that they dreaded another convulsion. How then was this million amused? Why, in their darling fight against the Dutch, the assertors of that “christian faith,” so incompatible with the “catholic creed.” We were, on the whole, successful in

* 11th article of the impeachment against the French duchess of Portsmouth, mother of the Duke of Richmond, who resided in great state with the King at Whitehall, “that hardly any grant, office, or place, was given away, but through *her* or *her emissaries* intercession, and *money* given to them.”—*Somers’ State Papers*.

this contest; commerce too, and the arts, were greatly expanded; and if James II. had not ultimately displayed a predilection for the catholic creed; if the church had not affected alarm; if certain artifices had not been practised by great men, to entangle us in William's dispute with France, there cannot be a doubt but James II. through a pure representation of the people, might have perpetuated his race, and, for aught our contracted minds can discover, the nation might have enjoyed, even to this moment, all the rational consolations of society. Nay, had he even again amused the nation with a war against Holland, and thus further injured our rival traders, the clergy, and discontented nobles, *would not* have succeeded in their Batavian intrigues.

This, however, can only be fairly illustrated when *the nation* obtains a sight of THE STUART PAPERS, deposited in Paris, and which dame rumour says, have been recently recovered, and brought into this country; but whether through the medium of Mr. Huskisson, who was, at the commencement of the war, a *Marchand de Paris*, and a high jacobin; or that of Lord Lauderdale, assisted by the *great patriot* Mr. Tierney, who merely took his stand at Boulogne, it is very immaterial to ascertain. One thing is observable, that all those personages have been graced with distinguished *places, titles, or pensions*. Yes, I pledge myself to my country, that when the actual state

machinery of that singular event (the abdication of James) shall be laid before the British people, they will be better enabled to judge of *comparative* governments; they will obtain a *knowledge*, which they will practically apply to themselves.

There is one general observation, however, arises from an evident fact. The general mass had LESS to complain of under the restricted parliaments of the two last Stuarts, *than they had under William*, or even under *Anne* his successor; and if doubts are entertained, I appeal to the comparative petitions on the tables of the houses of parliament. And for those who are more sceptical, let them critically peruse the state papers in the preceding part of this work, "reign of King William."

If, for this singular phenomenon I were to account, I should say that, with a defective parliament, the Stuarts gave *general occupation* to the subject; and that the parliaments of William were *MANAGED*, so that the best energies of the nation were exhausted in a silly co-operation with Holland for the humiliation of France.

But these digressive observations belong to statesmen only. The merchant, however, who has less time to contemplate, and is anxious for the *chart*, and for the *opening* of this land of Ophir, will also pardon me, when he recollects the statue of Charles II. in the *centre* of the London Exchange, and William in an humble niche in a *cor-*

ner! and also, that India stock was in the former's reign at 280 per cent.

From William III. to the present time :

Reign of William III.

If from a tranquil investigation of the reign of King William, and the actual situation of the people, I am constrained to be most severe; at this distance of time, it will not surely be imputed to me, that *prejudice* can have influenced the opinion.

I have thought of it a thousand times, and am convinced, that if the protestant was actually preserved, (I admit that hypothetically), *the true interests of man*, such as exalt his situation either in his relations *towards God*, or *towards his neighbour*, were basely deteriorated during such reign of William.

Allowing that he was *conscientiously* led to supplant his father-in-law, where were the *results* of this conscientious scheme of action? Was his praise to be found in the *pious* warfare in which he *exhausted* the best energies of the British people? Was it in the sister kingdom, where, after the force of arms, (rather than the peaceful olive branch,) had reduced that loyally bigotted; yet ignorant and unfortunate people to the treaties of Limerick and Galway, his mind was *only* fertile in the *breach* of those treaties? In the sordid treachery at Panama, or by the massacre at Glencoe? Was his glorious magnanimity discovered in the

aggrandisement of *Minheer Bentinck**, and other of his Dutch followers? To say nothing of Mr. *Somers*†. Was it in screening the Duke of *Leeds*‡,

* A descendant of this most DISINTERESTED family did, some few years ago, return from his *oriental-island* of *Barataria*, and was so happy as to find water sufficient to land his “*argosie*,” long before he reached the dangerous navigation of old *Thames*. But, alas! a custom-house lounge, in *Piccadilly*, obtruded himself, and the “*argosie*” found its way, and so did *great men*, into a great custom-house; 100*l.* having been previously offered, and honestly rejected, by this out-searcher; for it was discovered that *one half* of this “*argosie*” was *contraband*, and the *other* required at least 1000*l.* for the import duties! In the sequel, the governor recovered his “*argosie*” at no ordinary penalty, *we hope*; but the poor *Piccadilly* lounge was soon afterwards *deprived of his place*! When we recollect what *Minheer* presided at the treasury and the customs, (no matter how the young skipper may comport himself in future ultra marine speculations), we must, with indignation, exclaim,

“Dignified dregs of *** fallen race,
Honour’s dishonour, and fame’s last disgrace!”

The unfortunate “lounge,” on hearing of my oriental designs, sought me, and thus related the story. He has not a second coat.

† A letter of Queen Anne is extant, and runs thus:—“I am obliged to take that fellow *Somers* into my councils again. Amidst his toils and arrangements of constitutions, he forgot not to enrich himself with the spoils of my family—the *Ryegate* estate—worth 10,000*l.* a year.” A tolerable sum in those days; and this proves that patriotism is a species of TRADE.

‡ As the once flourishing town of *Leeds* is now greatly distressed, the present duke has an opportunity of retributive justice. About 5000*l.* a year, amongst its poor, would neither dishonour the donor or the receiver.

and twenty others, concerned in *filching* the nation out of their natural right of trading beyond Bona Esperanza?

But *in all this*, we trace the marvels of those *incredible* treasures which the oriental company had amassed, by the better commercial policy of William's less fortunate predecessors. Yes, in his reign, (FROM WHENCE CAME THE MEANS?) was systematised a *perfect scheme of parliamentary corruption and management*, and another (the Bank) of funded and paper anticipation of national revenue! And this, IN LIEU of actual property, which he had exhausted for the *balance* of power! Could no one of those great lawyers or statesmen, with huge perukes, have just whispered him, "that with all their faults, the secret of the *Stuart* race was, a *supremacy of commerce*, and THE ENTIRE DOMINION OF THE SEAS AS ABSOLUTELY ESSENTIAL TO THAT SUPREMACY?"

But I am disgusted, and will quit this reign; earnestly, however, entreating the reader to carefully peruse the preceding papers, in order to ascertain, what was the LAUDABLE SCHEME OF GOVERNMENT, pursued by King William the Third, OF GLORIOUS MEMORY!

Reign of Queen Anne. •

• My observations here, will be very brief. Her heart was not with the war with France. She was impetuously led to it, by such ambitious men

as Godolphin, Somers, and Marlborough, with their go-between, Mrs. Masham. The secret was, that the war tended to get rid of the *fiery spirits*; and to check that *commercial march* which would some day, if not DISCREETLY directed, gain a preponderancy in the commonwealth. The management then, of the Houses of parliament, in this reign, presented a *reputable perfection*; and, therefore, the ADAMANTINE foundation laid by the Hon. the East India Company in the preceding one, began to assume *form and consistency*.

Reigns of George I. and II.

By successive and destructive wars, the country required time to breathe. North America had now opened her arms, to British enterprise, and those subtle underminers of liberty, Mr. Pelham, Sir Robert Walpole, and Mr. Pulteney, displayed all their arts.

The East India Company, therefore, may be truly said to have found in these men, faithful patrons and protectors.

In the latter reign, however, this Company began to emerge, even, upon their oriental coasts. They could shiver a lance with a native prince; the factory, and the pen, were abandoned; these merchants would explore the *interior*, and at the termination of this reign, presented to the wondering philosopher, the phenomenon of a *Christian* trading Company, “ sent to explore for PRO-

FITABLE TRADES," *preferring* and most *distinguishing themselves* IN MEASURES OF HOSTILITY, and against those *hospitable* princes, on whose shores they had exchanged the reciprocal duties, due from man to man!!

But, having arrived at the commencement of the reign of George III. it is time that, by way of digression, no mental relief! I should introduce our oriental **TRADING WARRIORS**, and, like some great giant! in the plenitude of their glory and their power.

In doing this, and with all due solemnity! I must premise my readers, that as there is an *imprimatur* on the oriental press, and as few "ere return" from that auspicious land of promise, discontented or degraded, it has not been easy to select the *most correct* account of the rise and progress of these *most Christian* pilgrims and chieftains. I shall therefore proceed cautiously; but, I challenge this Company's whole host of defenders to *substantially confront me*.

What was the actual state of this once happy and independent kingdom of Indostan, before the irruption of foreigners? It is from the pen of an able historian. "Alkbar, the emperor, on the throne of Delhi, descended from the great Tamerlane the Tartar, died in 1605—was distinguished by *innumerable virtues*. He took from his officers *the power of oppressing the people*. Severe in his justice, he never forgave extortion. *He encouraged*

trade by the invariable protection given to merchants of all nations. He regarded neither the religious opinions nor the countries of men; all who entered his domains were his subjects, and they had a right to his justice.

“ He was succeeded by his son, Mahommed Jehangire. In 1615, (vide Charter of James I.) Sir Thomas Row, ambassador extraordinary from England, arrived at Brampour, and was received with all the pomp and honours of an Eastern Prince. A firman was *immediately* issued for a permission to the English to establish a factory at Brampour, and soon afterwards, another at Surat. Sir Thomas was treated by the emperor with the *utmost affability and politeness*, and FELICITATED on his *safe* arrival.” (O my God! but the mind must have a moment to compose itself; and to contemplate).

“ The presents were *highly acceptable*; but a COACH, sent by King James, (who paid for it?) was so agreeable, *that the Emperor was immediately drawn in it*, AND THE EMBASSY ASSISTED, IN THE PLACE OF CAVALRY!!”

From this eventful moment, to the peculiar and tragical disaster of the Black-hole at Calcutta, (a century and a half), our “ Merchants Adventurers,” and “ Hon. United Company,” appear not to have extended their conquests far beyond the sight of their shipping. Such tragical event, then, gave new energies to their powers; and we

shall see, what were the fruits of the prowess of Colonel Clive and others. “ At last, Shaw Allum, the undoubted heir of the Mogul Empire, *fell into our hands.*

“ A PERPETUAL commission for the office of RECEIVERS GENERAL *of the revenues of Bengal, Bahar, and Orissa*, was obtained from him for the government.

“ In consideration of this imperial *mandate*, which conferred on the Company the governments of those provinces *for ever*, Shaw Allum was to receive an annual pension of 325,000*l.* This was moderate to the *lineal successor* of the great *Tamerlane*. He was, at the same time, guaranteed in the possession of the province of Ullahabad; and thus a *kind* of provision was made for a prince, who retained nothing of what belonged to his illustrious ancestors, but the *empty title* of Emperor of Indostan.”

Let us compare the different situations of this vast empire of Indostan, in the period *previous* to that ambitious enterprise of enlightened Europeans, (when the embassy condescended to draw the emperor through his capital), and that of the medium *between the years 1750 and 1780*.—“ In the FORMER, there was an immense internal, as well as external trade; for the court was *alike liberal, in civil polity and in religion*; and the balance of bullion in the province of Bengal, only, amounted to 1,852,500*l.* sterling. In the LATTER period,

her current specie was decreased from 15 to 10 millions; her inhabitants, by the intolerable government of marauders, incessantly visited by continued wars, by pestilence, and by famine, diminished no less than 5 millions; a number exceeding even, what was lost by the separation of the United States of America!"

I have no wish to pursue their subsequent warfare, or their commercial operations; the *preceding pages*, (Part I.) those faithful quotations from *established* authorities, are sufficiently convincing to all, but the interested, in this shameful exclusive trade, and actual monopoly.

Reign of George III.

The secluded philosopher would have conjectured that, when this monarch in his first speech, told his people, enlisted by his solemn oath at the standard of *equal* justice; without which, a government is, in fact, unhinged, and its constitution a *non entity*; when he assured them, I say, "that his *oriental* acquisitions presented a vast field," &c.—he would, at least, have been *advised** to expand the advantages, if they were such, to *all* his liege subjects, or at least, that he would have

* I am so antique as to suppose with Machiavel, "that the wisdom of a prince *never* takes beginning from the wisdom of his *council*, but the wisdom of the *council* always from the wisdom of the *prince*." "He who talks like Cato, should like Cato act."

been reminded, that he could not conscientiously fulfil the oath he had recently taken, without either extending to India, the sole basis of equal justice, the REPRESENTATIVE *scheme of government*, or of actually ordering the *restoration* of such acquisitions.

It may not perhaps be known to those who have not travelled so far as the author, that, with the exception of the pestilential forts of Africa, the Islands of Malta, and Minorca, there is not any other dependency of the British crown, without its senate, and its house of assembly, or representatives, and chiefly elected every three years—the British Isles only, enjoying the boon of a septennial choice. And, what perhaps may surprise more, in some of these assemblies, there are copper, or other tawny sons of Adam; and in many, as in the two Canadas, &c. the TEST of our FAITH is not obtruded; and even a catholic speaker has been found with two thirds of a House, all catholics, and legislating as safely for their constituents, as if

It is singular, that the King may in his *natural*, and why not his *political* capacity, *peccare contra deus, contra proximum, et se ipsum?* If it be said, notwithstanding, ‘he can do no wrong,’ certainly that *tenet* if it be *ens legis*, but it is scarcely *ens rationis ratiocinata*.

This reasoning, however, is only applicable, when the powers of a state are not equally poised, e. g. Kingly power possessing the annual expenditure of ninety millions, and the patronage over forty millions of orientals, *versus*, a rotten borough representation. This surely, cannot be the British constitution IN PRACTICE? For THEBRY, see page 131.

they had previously communed with the Archbishop of Canterbury.

Where then are the boundaries of Kingly justice? Was *nothing* due to the miriad of Indians, once the care of the great Tamerlane and of his benevolent and enlightened successors? Were it not an act, worthy of PRINCES, to endeavour, by some rational code of government, (the representative) to have rivetted their affections, and thus pave the way to the introduction of the tenets of the *blessed Jesus*? I appeal to candor. Without this representation,—without a free press,—without any participation *whatever* in the government of their own natal soil, was it reasonable to expect that, these immense conquests could be held without an incessant drain of blood and treasure? And this admitted, ought there not (*I demand in the name of the injured justice of my country,*) to have been AN EXTENSION OF SUCH BLESSINGS, OR A COMPLETE ABANDONMENT OF THE CONQUESTS?

Under the wide spreading shield, “the King can do no wrong,” the omission of duties and errors may be sheltered; or they may be plausibly imputed to the *general body* of a free people, and “*parliament assembled*” may be blamed. It is not very likely that those rotten borough speculators, who corroborated and confirmed the acts of the Honourable the East India Company, and by controlling their frightful debts, did virtually assimilate this cankered confederacy with the British

nation; would give to the Asiatics, what is deemed so *valuable* and so *importunate* in the British Islands. To the proceedings, however, of this senate, I entreat *the most deliberate* attention : and (if the reader has the happy opportunity), also to peruse the rolls and records of parliament, and likewise the whole debates on East India affairs ; especially those, (which I have purposely omitted) when Messrs. Fox and Pitt, in 1784, practised their state manœuvres on a deluded people !

Indeed, in the whole series of reports, especially since the Revolution, the representation of the Commons appears to have been most *ingeniously* conducted ; and it is mortifying to behold how *statesmen*, and how *transcendent talents*, have been prostituted at the Asiatic shrine.

Having thus taken a general, though a desultory survey, of a long age of deep policy, bad government, or of precarious commerce ; in which I have studiously reminded the reader, that he is a descendant of Sydney and of Hampden, I shall proceed to

More minute Observations, and more particularly applicable to this chartered Company.

From the immense complication of figures in the India accounts, it is not any impeachment of one's arithmetic to say, " that it is *impossible* so to simplify, as to render them intelligible."

This company have *Cocker's* Calculations, at the corner of every palanquin and every counting-

house. By the papers, however, laid before the House of Commons, and dated the 30th of July, 1804, and which we know were combined with the *amiable military* operations of the splendid Marquis Wellesley, it seems that, from 1795 to 1804, the *net* profits of

	<i>Sterling.</i>
India goods were - - - -	£.4,155,791
Private trade, viz. Officers of	
Ships, &c. - - - -	1,482,056
China Goods - - - -	7,802,189
	<hr/>
Total profit (10 years)	13,440,036
	<hr/>
Dividend to pay on India Stock	
and Bonds (10 years)	7,033,666
	<hr/>

Of these accounts, thus carefully cut and dried, and thus signed by the secretary, we surely have not ground to exclaim, "*nullus latet anguis in herba!*" But, since that period, we have heard strange things: such as that there is *now* an actual annual interest to pay in Leadenhall-street, of—**THREE MILLIONS!**

If so—(observe, I only quote some *scandalous* rumour)—why, Lord North, Mr. Pitt, (Mr. Fox, an accessory,) Lord Melville, Mr. Addington, &c. have kindly, through the Board of Controul, *dove-tailed* on the British people, another fifty or sixty millions of debt! I say, identified with an arrear

beyond credibility, and which has arisen from the *glorious* operation of banking, and of funding, in the reign of William III.

I have, in the first part of this work, purposely inserted the earliest public protests, against that “glorious” establishment of the Bank, because I wanted the attentive mind to mark, with what steady and imperceptible gradations this bank funding, and this honourable India Company have gone, hand in hand.

The former’s humble commencement was a sum little exceeding one million, and established for the purpose of relieving the pecuniary drains and oppressions of William, by the anticipation of certain taxes, through a thing called *tallies*. This establishment has now, however, passed its bloated acmé of *imperfection*; and when Mr. Pitt, that unfortunate pilot, who weathered the storm, but who, without either compass or rudder, left the state vessel, tossing to and fro, on the wild ocean of despair!—did this institution the honour to *relieve it*, for the use of his quixotic operations, of its *last guinea*, HIS MINISTRY AND THE CONSTITUTIONAL POWERS OF THE REALM DID AS VIRTUALLY assimilate this bank with the welfare, the faith, the honour of the country, AS ANY APPENDAGE OF TERRITORY is assimilated, or, AS THE ISLE OF MAN was, after the well known CONTRACT with the Athol family.

I thus have obtruded a digression. It is due to

that *sacred justice*, which in this, my oriental research, I am so ardently seeking. Let not prejudice, then, nor venal, nor malignant men, aim the shaft of invective and hostility against Directors, whose once vigorous arms were paralyzed by power, and whose FREE VOLITION was imperiously, though invisibly, wrested from them, by the ministers of the state, before February, 1797.

I have an obvious motive for thus dwelling on the virtual connection of the government, with the house in Threadneedle-street.

The same faith, the same sacred claim, has the public upon that government, for its ultimate guarantee and protection of the funds of the honourable East India Company, *ever since* that eventful moment, when in 1773, and subsequently, Lord North held *sweet converse* with them; when, through his “commissioners for the affairs of India,” he signed a treaty, offensive and defensive, which became MOST COMPLETELY ratified and confirmed by his successor, Mr. Pitt, through those *able negotiators*, “the honourable Board of Controul.”

At these bold positions some men may start; but let the case be plainly, and COMMERCIALLY argued; for we are speaking of *trading* bodies.—Were not, I pray, such powerful interpositions completely tantamount in *private* life, to a *meeting* of *creditors*, of some great establishment? If, at such meeting and discussion, it were DISCOVERED

that one DEBTOR, and that debtor, the *government*, through its *premier*, had ingeniously borrowed such valuable assets, as to have embarrassed, and to have rendered the continuance of the concern upon *similar* principles, utterly impossible, and, *therefore*, another plan of conduct is adopted; and all the creditors at this meeting (Grocer's-hall) sanction AND ENGAGE to uphold such new plan—are we to be told, that all responsibility of the old firm for the PAST was not something like SUBSTANTIALLY done away? Aye, and for the future also. And if this new plan were to prove abortive, every estate of every one of these guarantee gentlemen would, IN AID OF MESSRS. PITT AND Co. be justly liable to the public, for any deficit that might arise.

I hope that this hypothetical case will not alarm these worthy creditors, who also assisted in the *pious* chorus of “God save the King,” upon the Royal Exchange, at the happy *re-commencement* of hostilities with France? I know their embarrassments—but I cannot, at present, descend from my “sky parlour” to their relief.

As to the case of the East India Company, although of itself one of less magnitude, (as in the proportion of 50 to 900 millions,) it bears on my position with peculiar and greater force.

It matters not whether India gifts to the government exceeded those of the sister institution.—We must all remark, what an *inexhaustible* pa-

tronage its insatiate conquests, during the last 60 years, must have given the government! It will not, it is presumed, be credible, *that any one* of those *hostile* measures of this “trading” society, could have been particularly obnoxious to his Majesty’s government? How can we then rationally heap censure in Leadenhall-street, (SUBSEQUENTLY, MIND,) to the ingenious CO-PARTNERSHIP with Messrs. North, Pitt, Grenville, Addington, Yorke, Castlereagh,—aye, and at one time or another, confirmed by all their dependants, their slaves, and minions?

My inference, then, establishes the identity of the connection, and therefore SIMPLIFIES the mean by which the government may, by a single vote, give an anxious, and a distressed commercial world, all the incalculable advantages of an open trade.

Having thus endeavoured to impress “that the virtuous attainments of oriental territories, and their immense revenues, now belong to the Crown, and are not governed by the *representative* scheme, and therefore, appears contrary to the coronation oath of the King—having also just given a tolerable *clue* for the removal of all difficulties to an open trade—having, I say, established the actual connection, and, therefore, virtual supremacy of the government—the *higher* contracting party—I shall, before I dilate on that great commerce, somewhat, *in limine*, peculiarly call the *reader’s attention* to

the speeches of Mr. (*now Sir Philip*) *Francis*, who, however he may have abandoned his post, and have suffered a star of *inferior* import to eclipse his bright orb of oriental lustre ! yet has altogether best expatiated upon the actual state of Indian affairs, and, indeed, has proved himself but too prophetic !

To Mr. *Charles Grant's* speech also, of the 14th of May, 1806, where, I must beg the reader to note, that there are apprehensions entertained in Leadenhall-street, of *an open trade* : and if any can obtain a sight of this gentleman's *suppressed pamphlet*, he would, I find, discover that this governor of the Company has pretensions to our candour. But it is to the unfortunate and to the SACRIFICED Mr. PAULL, that the reader will be chiefly attracted.

It might, perhaps, be said, that this gentleman went into the House of Commons, merely as one of the Nabob of *Oude*, or of *Arcot's* agents, or as one of the *ghosts* of the MURDERED *Begum princesses*, and that that *magic ministerial wand*, whose touch consigned *all* to the vortex of *corruption* ! had *not* happily descried, or had *contemned* this insulated, but able and patriotic senator : one thing, nevertheless, must be remarked, that his formidable charges against a noble Marquis, and his serious positions relative to India, do *not* stand substantially contradicted. *Never, till that epoch,*

had the public such a chance of at length obtaining *a true oriental knowledge!*

But it was again to be disappointed; and *again* by the same SECRET spring of state action, by which we have to deplore the calamities of this long reign—the degradation of the *British* and the CHRISTIAN character in Asia—and the *bloated excrescences* in *Threadneedle*, and in *Leadenhall-street*. I mean the *rotten borough influence* in the councils of a people, *boasting* of the blessings of freedom!

Upon Mr. Paull's emersion into public life, he frankly communicated his oriental knowledge and designs, TO THE ENTIRE BAND of what are termed "opposition leaders," and the unprecedented conduct and ambition of the house of Wellesley, which it was evident must, like the conduct of Clive, of Impey, of Hastings, of Dundas, undergo a species of *solemn* investigation, conspired to embrace this bold adventurer: *It is also a fact*, that he received countenance from the very *head* even of the "opposition" of this country. *He had the honour of an introduction, and he was acceptable at the great house.* Thus, then, Mr. Paull approached the arena of public investigation, with that confident boldness, which his speeches proclaim. Thus, then, we also remark, *his steps were not impeded by the "opposition."* He was anxiously regarded, and even dreaded, by the friends of the splendid noble Marquis.

Dare I give the sequel, and the secret?—

— * * * * *

—the political balm of gilead was found there—it was poured into the afflicted hero's wounds. The next day, a *long infested house* was completely cleared of those hornets—John Doe and Richard Roe!

Knowing, as I do, the *authenticity* of this, I could blush for my country!—Gentle reader, take it as an index, perhaps, for *future* times.

This useful *go between*, then, immediately arranged with the *heads* of parties, and the subsequent debates on the oppressed Indian, and on the sanguinary and profuse Marquis, proclaim *versatility*, *shuffling*, CHEERING: even Mr. *Tierney*, Lord *Folkestone*, and Sir *P. Francis*, appear to have been effectually “INDISPOSED” on the occasion.

The exit of the deserted Paull, who was worthy of a better fate, arose from BASE POLITICAL CHICANE like this, and *not* from the loss of some paltry money. He committed a *political felo de se*; and the leaders of the *rotten borough system* ought to have cloathed themselves in sackcloth and in ashes.

From this impressive subject, so interesting to the benighted publicist, I proceed to consider, and to obviate, those *obstacles*, which will be probably interposed to this national claim of *an open trade*.

OBSTACLES.

“ The Company’s systematical permanency.”

“ Its funds and bonds due to the public.”

“ Its already losing commerce.”

“ And perhaps the ruin that would be produced
“ in the *civil* departments, in the event of
“ an open trade.”

MY ANSWERS.

If a “ systematic permanency” were an argument of weight, bad establishments in all ages and climes could not bear the finger of reform. This argument then is absurd.

“ ITS FUNDS.”

By the *identity* of the British government with this Company, already proved, that government must, in *bounden justice*, guarantee any material loss that might arise to the funded debt of the Company, from the proposed expansion of the commerce, and with as much faith, as in any other state transaction. In doing this, what could be more simple than to take upon themselves, after a period to be named, all the remaining floating stock, and ingraft it on some 3 or 5 *per cent.* government fund, and then let commissioners dispose of their assets at home and abroad? This, observe, is on an assumption, that the assets of the

Company (which by this open trade is supposed dissolved) are *not sufficient* to meet the demands of their creditors. I will offer another resort. If they are candidly admitted *not* to be so, when those funds, bonds, &c. *are tendered at par*, why then let the Company be allowed to continue, say three or four years longer, allowing, observe, *ad interim*, that all parties should trade beyond the Cape, who *shall hold on the books of the Company a quantity of this stock, or these bonds, proportioned to the tonnage he demands, to remain untransferred for a term, adequate to a returned voyage*. By such mode, the Company's solvency might be recovered.

This latter is one of the *numerous* safe modes which can readily be devised, so as to enable the Company, during a definite period, to dispose of their actual effects. I am only reasoning on its *mercantile* establishment. Its *military* one, and that "whole army of martyrs" to *injustice*, I mean the million of WRITERS*, who are the *excise* and *custom* receivers of the Indostan revenue, *are already*, or would be, as conveniently transferred into the routine of the British government, as those of some conquered or ceded island; and if *honesty* is the acting principle, these martyrs would not suffer.

* These situations have often cost the parties 3 to £.5000. Their brother officers in England display equal vigilance, for 70, lately, £.100. a year.

In giving, then, this period of 3 or 4 years, and proposing the specific boon for participation, I have assumed that the company's affairs are so far embarrassed *as to require such an expedient*. If, however, these great men of Leadenhall-street, whom I am thus treating with due respect, are more confident, and are actually *certain* of their ability to meet, at home and abroad, their creditors without these ingenious devices, it certainly will alike *surprise* and *delight* every man who has a true love for his country.

ITS ALREADY LOSING COMMERCE. If then it be actually a losing concern, it ought *long ago* to have been *abolished or laid open*; and, instead of renewed charters, the East India directors, and his majesty's Board of Controul, should have been at the bar of public justice. But is this possible Mr. Directors, when you have consented to allow the British public, amongst other great advantages, "half a million a year?" "But then it has not been paid, because I suppose you have great sets-off, by expences in military exploits, as in the *Red Sea* expeditions," &c. Then we can only argue it as an ADVANTAGEOUS trade, and a PARTICIPATION being demanded, IN THE NAME OF NATIONAL JUSTICE, *that nation is indifferent which way your British government ledger is settled*, or whether such national justice is obtained by an arrangement, to enter your threshold, as holders (ONLY TEMPORARY REMARK,) of portions of your stock at

the current prices of the day, or whether the remaining 18 months of your charter is deemed by you sufficient for the *liquidation* of your *debts*, and for your departure, in peace.

But, and I have not lightly contemplated the subject, I greatly apprehend that the *former* method will best comport with your convenience and your situation.

This “enlightened,” but “credulous,” nation, has, for 211 years, sacrificed its *treasures*, its *blood*, its *national character*, in dandling and cherishing this demi-mercantile military establishment; and the sequel is, that instead of your engrossing the whole commercial energies of the nation (see Princep’s speech, Part I.) *no less* a proportion than as *three to one* of the commerce beyond the Cape of Bona Esperanza, and within your charters, IS ENGROSSED BY AMERICANS AND BY OTHER FOREIGNERS.

“THE RUIN TO THE CIVIL DEPARTMENTS.” Whether this allusion is solely confined to oriental establishments or not, I will confidently affirm, that such “*clerks*” and “*servants*” as should not, from their experience, receive a future preference from the free traders, would be glad of the opportunity of exchanging their fixed, and in *England* generally inadequate, salaries, for the more adventurous advantages of free commerce. We will *hope* better of *Indian* regulation; but in *London* it is painful to see the diurnal procession of this

legion of young men, *some* of good family, ALL OF GOOD INFLUENCE, after displaying their judgment and taste in the flourish of a few official papers, or of their *initials*, consigning themselves to indolence and to temptation, in Bond-street, or at a playhouse, for the remaining 18 HOURS!—Yes, an open trade would prove a blessing to the *mèritorous* dependents of this cruel monopoly; and as for the others, they might be accommodated in some military service. These are my brief answers.

Yet, under the head of “losing commerce,” I will return to the subject, and *suppose* that of late years this may have been the case, and even, *exclusive* of the effect arising from our continental restrictions.

But, is it not well known to good commercial men, that if one house only, conducted the trade of Bristol or of York, might not its *unwieldy* and *splendid* establishment, render it so intricate, and so embarrassing, as to compel it to recur to a *great emission of paper*, as banking on a *stamp*, or, like the company’s *bonds*, on a *common seal*? and thus avert calamity? But those good merchants also know, that if such whole trade of York or of Bristol, had been *divided* and *contended* for, the inhabitants would have had MORE TRADE, and higher exports, and lower imports; and if any of the houses had, by improvidence, resorted to *paper*, or other fictitious credit, his commercial days would

have been numbered, and the aggregate *good* trade, and STATE ADVANTAGES FROM COMPETITION and DIVISION OF ENTERPRISE, would not have suffered.

One might suppose that this PARALLEL case would *almost* convince the East India directors themselves, of the GREAT NATIONAL INJURY a monopoly produces. But I will go further, and aver, that if the company's trade is, on its aggregate, UNPROFITABLE, it may be accounted for by that very PAPER substitution, which has probably *crippled their energies and circumscribed* their exertions to three or four factories in India. How much more, however, must we deprecate this funded company's monopoly, when we know, that the more lucrative articles of export to India, aye, and many a bale made in the United States (see Part I. America), is under that flag exchanged for oriental productions, adapted and sold by these foreigners to *our* West India, and *our* four North American provinces, and also, by these aspiring foreigners, kindly introduced *into every European harbour!*

Natural enough was the incivic conduct of the members of the house of assembly, in Canada, expelled or imprisoned in 1809, when they, as with the other British Americans, found themselves precluded from the envied trade of the east, yet granted in 1794, by his majesty's ministers, to the once rebel colonists! I myself witnessed the loy-

alty of these British Americans ; I accompanied them in their flight, after the abandonment of the United States. . It were sufficiently heart-rending to witness men, who once figured in the field, the senate, or the bar, actually become “ hewers of wood, and drawers of water ! ” But I will not expand the veil of national injustice ! If, however, I possessed *a thousand tongues, and a thousand energies*, I would not rest until I had heard a substantial reason why these monuments of ill-fated loyalty should not, at least, *participate* with the once “ refractory subjects ” of the United States, in a commerce, which, however, is *solemnly proscribed* to 19-20ths of his majesty’s liege subjects *at home and the West Indies !*

I must, before I quit this subject of “ losing trade,” be obliged to ask, whether from the evils attendant on such a splendid and proscribed commerce, such articles as *sugar*, as *cotton wool*, as *vermilion*, &c. have not lately been brought to Europe at an immense loss ? I reply—yes,

The latter article is arrived in such a quantity, that it is fallen to a loss to the importer, of perhaps 50 per cent. and *cotton wool*, from its quantity, to a much greater degree. But will nobody tell the distressed manufacturer of Lancashire, but me, that, “ that, such is the progress of our arts, we have lately imported our *white* cottons, to receive the fanciful pencil of that Indian, who formerly *inundated* this country with his ingenuity ?

Which once conveyed to our artists, that distress, which the file of our parliamentary petitions, for 100 years, so loudly denotes?"—Yes, most honorable directors, I call on you conscientiously; tell us, if your CRIPPLED powers, and your scheme of trade, would have admitted, whether, instead of an INSIGNIFICANT quantity of white cottons lately sent, THE WHOLE SURPLUS PILES of this STAGNATED branch of trade might not have been MOST ADVANTAGEOUSLY vended beyond the Cape, IF an open trade had obtained during the last 4 or 6 years?

The shipping of this company has been certainly *increased*: It was very POLITIC, and so are all the actions of the Leadenhall-street directors; but in this increase of an unwieldy, confused trade, the true powers of commerce were not increased, because that it was devoid of a laudable COMPETITION. Thus then, at a moment when, by the devices of France, our manufactories and our external facilities are placed in the *greatest possible jeopardy*, we are doomed, unless speedy measures are adopted, to witness *such distress*, and *such ruin*, as cannot have had a precedent since the South Sea bubble!

Bullion, or Coin, as connected with our oriental operations.

There is another commodity of *prime* necessity, which I have as *cautiously* avoided introducing hitherto, as the *famed bullion committee* were,

when in their noted research for the *causes* of the loss of bullion and of specie, they *delicately declined* naming the immense drain, by the East India Company for their (chiefly) Chinese market ; and “declined,” probably, FOR MOST ADMIRABLE STATE REASONS.

As, however, an independent investigator cannot be swayed by sinister motives, I am obliged to declare, that this drain ONLY, might have been *justly* imputed as the main cause of the loss of our bullion and our coin, and that *inundation of paper*, which appals the stoutest publicist. What, shall we not fairly take to account, not only the retrospect from the first permission to export it, by the infamous grants of James, and then Charles II. but especially since *teas* were unfortunately become; instead of more nutritive sustentation, almost the general comfort of the *million* of this country?—Look at the preceding scale of the China trade ; and if to that is added an increase of, perhaps, one-third in the subsequent importation of that improvident beverage, and for which *bullion* is absolutely essential: can we, I say, wonder at the actual deprivation at home?*

It is singular, but true, that before Sir *Thomas Row*, and others, returned with their “golden argosies,” the nation was not doomed to part with

* We have lately had puff paragraphs about bullion FROM China!! The reader will credit them, when he sees an *affidavit*, that it was not loaded in the *Atlantic* ocean.

this *general* criterion of *good* or *unprofitable* trade ; but, in the first years of the monopoly, we remark, that a production of our own, *SAGE* only, was the barter for this Chinese herb. And appreciating as we do, the health and longevity of our fellow men, it may be pronounced *another* of those oriental evils which accompanied this privilege of exporting bullion and specie.

I cannot, however, quit this particular view of our oriental operations, without being astonished, and so must be the reader, that however perfect appeared the *dove-tailed connection*, which combined the *rotten borough system* to an inexhaustible fund of *Indian patronage*, yet, that the necessity of the Bank restrictions in 1797, did not lead government to adopt some public measures to *restrain* this destructive exportation.

I will, nevertheless, remark, that if no *substitute* commodities can be found for the Chinese market, *this most ruinous of all trades* imperatively demands the attention of good legislators. But why have these wise Chinese thus contracted our assets for their staple production ? Why was our modern Sir T. Row (Lord Macartney) received by them with contempt and grimace ? May not the latent and fatal cause be found in our insatiate thirst after others territory ? and in artifices incompatible with that christian benevolence, which should have been the actual firman and passport of an honourable people ?

Trading exclusive Charters, and their fate.

We will now treat briefly of the various *trading charters* which have been granted by princes until William III. and then sometimes sanctioned by the legislature, but more frequently called in and cancelled.

The first were those of the London Companies, then that noted one for the staple of wool, "the Merchants Adventurers," time of Henry II. the Greenland Company, the Eastland, the Hamburg, the Russia, the East India Company, the Levant or Turkey, the Spanish, the French, the Royal African, the Virginia, the New England, the South Sea, Gulph of Panama, the Scotch East India, the Bank of England, the two London, and Royal Exchange Insurance Offices, the Hamburg East India*, and lastly, in 1760, the little snug and lucrative monopoly, "the exclusive trading on the north-west coasts of North America, called Hudson's Bay. All these, with the exception of the London Companies, the Bank, the East India, and the Hudson's Bay, are abrogated, or substan-

* This *great* Hanoverian sea-port charter was granted in 1723 ; the Prince of Wales (Geo. II.) Governor ; the Lord Barrington, his deputy.

In the investigation, however, into this *amiable* "recollection of our native land," his lordship found himself expelled the commons house ; and the grant of these German oriental adventurers was withdrawn.

tially exhausted, and have scarcely left a vestige behind !

Two or three exclusive monopolies, then, remain as national monuments of our ignorance, or our injustice.

General Observations relative to the actual State of the United Kingdom,

To the preceding, and 'tis presumed, forcible observations, all tending to attract the general attention towards the great injury to the commonwealth, which arises from these exclusive charters, especially such as are similar to that of the East India Company, when combined with an *inexplicable connection*, or with the *fostering* partiality of the ministers, through a state of the representation, where (offered to be proved at the bar, see Parliamentary Journals) a *majority* is chosen by 154 individual peers, or opulent nabobs and commoners ;* to these observations, I say,

* The remains of one independent borough (in Surry) consists in four upright stones. A gentleman one day compassionately covered these *extrinsic jewels* with as many broad beavers. At some future election they will probably be approached with impressive music.

“ Oft have we heard that things *inanimate* have spoke,
And, as with living souls,” &c.

And perhaps Mr. Nabob, *now Sir Mark Wood, Bart.* who holds them at a costly price, will join in a chorus. So much for *rotten boroughs*.

much might be added by ingenuity ; but I avoid it from a conviction that the foundation for a free and

The next great national evil is the hypocrisy of the patriots denominated the WHIGS. I would have once unveiled these gentlemen. It was after the Maidstone trials, and the execution of O'Coigley, who had firmly resisted all the importunities of the Bentincks, and their agent, the Rev. Mr. Griffiths. Happening to belong to the whig club, I gave notice of a motion, " that the *professed* principles of the club, demanded from those *great* men, who had given evidence at Maidstone, an explanation of their suspicious connexion ; and a public declaration of the club relative to the civil liberty claimed by the British and Irish mal-contents," &c. I had already ascertained, that this famed club was devoid of every requisite but the NAME : It was essential that all the world should appreciate its merits. What was the consequence of such my notification ? I was urged to refrain by all the junta about the chair ; amongst others, Mr. Recorder Mackintosh asked me " what could be my motive ! ! " When Mr. *Councillor Ego*, however, came to my residence in *Bridge-street*, and oppressed me with his eloquence, I consented to abstain ; but, of all my political measures, it only remains to me a subject of regret.

A very short time afterwards I experienced a great *trait* of gratitude, yet I was fairly punished. A public prosecution against me took place ; an immense fee was given ; I found myself loaded with such epithets as PAUPERUM DEPRESSOR ; and in prison seven weeks before a sentence could be devised, because " he would not intercede for this great offence, in holding the 25th part (not the whole trade, East India directors) of a commodity of secondary consideration."

If that learned personage should happen to read this *memento*, I entreat him to return to the original cottage in Kent, which bears his name, and where he commenced his most learned investigations, and ascertain which is the *best* law, that of a commoner at the Old Bailey, " protesting against the *in terrorem* banishment of

open trade, beyond Bona Esperanza, I have *already* happily explored *and ascertained*; and my abler contemporaries shall have the honour of the *superstructure*.

If I was more especially impelled to present this foundation, it was because I had duly reflected on the actual distress of our artists and our merchants, and also, *on the unavoidable progress of it*; that it would be impossible *long* to avert the most calamitous results, unless we have a speedy restoration of PEACE, and a radical reform in the representation of the Commons. Or if a rational peace cannot be obtained, (but which I deny) that the latter becomes more indispensable, and must be accompanied by this *unfathomed* channel of oriental trade.

To counteract Bonaparte's domination over the continent of Europe, it also becomes the *supreme* duty of the United Kingdom, to assert *the entire sovereignty* of that element which is, of itself even, *a voluble monarchy*, which would enable us to prescribe laws to every nation; would mock and ridicule the reveries of the "balance of power"

authors to distant prisons," or that of the created peer in another court, in which such distant pilgrimages appear consonant to the British constitution!! To relieve his studies, I will send this consistent great egotist, an "Essay on GRATITUDE;" and how, on the demise of a monarch, a wig may be obtained, that shall produce *half a million of money*. This appears an irrelevant digression; not so to those who have a vigilant eye upon the leaders of parties.

politicians, and, *if wholly unconnected with territorial expeditions*, presents the only *rational mean* by which we can **BALANCE THE SCALE** with the French conqueror, and **PRESERVE** our internal tranquillity and independence.

His Royal Highness, then, the Regent or the King, must duly reflect on this actual situation of the country. He must banish from his threshold, all advisers but those who will say to him, “ the misfortunes, during your father’s long reign, arose from the continuation and increase of a venal representation of the people. If your Highness has courage to throw yourself upon that people; the most loyal, the most enlightened, and most grateful in the world; it will be a new era, certainly; but your Highness will become a model for princes. Otherwise, prepare yourself for a crown of thorns, and for a supremacy, only over misery and discontent !”

Good statesmen know, that as the oriental monopoly *arose from* bad princes, or bad senators, and was *confirmed by a defective representation*, these reveries are *not* inapplicable.

The actual state of the United Kingdom, considered more in limine.

The preceding head, as throughout my plan of considering a government, or a people’s welfare, emanated from the principle, *a priori*, “ that a well balanced state requires a representation of

(perhaps) all who contribute to its exigencies :” when, therefore, I this moment confidently asserted, that a rational peace could be obtained, it was on the calculation that, *at length*, our boasted wisdom, and religious and civil professions, would soon—very soon, produce a reformed representation, and lead us to obliterate, for ever, those *impious* monuments of a dark age,—the test, and other religious penal statutes,—which have unstrung all our energies, and systemized perjury and hypocrisy itself.

As, however, it is but too obvious by the recent writings of certain authors, particularly of a Captain Pasley, that under the cloak of a comparison of landed or of commercial national wealth, and of correcting our bloated commerce and our trading habits, we are to be led to recollect that memorable *lapsus linguæ*, “ perish commerce, preserve the constitution ;” and that every nerve is to contribute to the humiliation of continental power, rather than we should once more partake of the blessings of peace; and, as I have grave reasons to believe, that this anti-representative doctrine is congenial to the oriental Wellesley’s scheme of government, I am compelled to guard my rational and my patriotic countrymen, against the crisis which is impending. And I will corroborate this requisition, by brief remarks, “ on the comparative wealth of an agricultural or a commercial property”.—“ of our funded property”—“ of the

errors in conducting the war hitherto ;” as well as “ what ought to be the future mode,” if Bonaparte should be so absurd as to decline liberal and rational overtures for peace.

On the first head, I will admit with all good publicists, that the value of the land only is a true criterion of the welfare and stability of a state. And, for the plainest arithmetician to calculate correctly where, and at what period in any sovereign state, (exclusive of dependent islands), may be found more or less of such wealth and stability ; he has only to compare its quantity of circulating medium, whether coin or paper, its inhabitants, and its geographical acres to purchase.

Thus, then, fairly estimating such in the United Kingdom in 1765, with those of France, or of Spain, or Italy, he will form true criteria of the comparative superiority of *our* wealth and insular confidence. But, when he takes such a view at a more recent period, suppose 1805, if, instead of 15 to 20 millions of (chiefly) specie, in these isles in 1765, he does not, 40 years afterwards, calculate our specie and paper medium, such as exchequer bills, bills in discount, town and country Bank emission, East India bonds, altogether at 100 to 120 millions ; he will not justly estimate the actual comparison between us and the territory of another power.

I will not lead my reader towards the boundaries of despair. Let him, if he can, console himself

with boasting that his lands cost him thirty-five years purchase, and in 1765, would not have reached twenty-five.

Let the confidential stock-holder (that satellite of the land proprietor), cheer himself, and, wholly losing sight of these fundamental criteria data, for landed, and *therefore*, for funded wealth, tell you with complacency, that his 3 per cents are and have long been at 65, and sometimes greatly higher; and that after the American separation and peace, in 1783, and with not one third of our present national debt, they were drooping below 54. Yes, and so they were; but it was not, to use a metaphor, "a pang as when a giant dies:" it was the momentary composure of the lion, tired with the toils of an *unlawful* chace.

So much for *landed* and *funded* national wealth. That, derivable from the *arts*, and from *commerce*, are relative, precisely as the scheme of government is, or is not, a pacific or a wise one. Their judicious *extent* has an unerring standard: *internally*, it is madness to discompose established habits, or to permit a single drone; *externally*, all the channels are pernicious, where the *balance of traffic, the precious metals*, are against us. *Exports* are the inestimable extreme arteries of the body politic: Proper *imports*, as bullion, constitute its *vena portarum*. Taxes on industry, then, are national blunders; what is gained in the hundred, is lost in the shire.

This Captain Pasley's comments, on the errors of the war, are tolerably correct. There is not a doubt that, as with all other'sublunary actions, if we had been blessed with the gift of inspiration, or if the gallant captain had been our premier, many wonderful improvements might have been made. But will any enlightened man admit, that with our exhausted tangible property, our enormous loadstone of debt, and with our proscriptive religious code, it was *possible*, in the nature of things, to have produced more faithful coalitions, or more permanent counteraction to the French system; which, for the time, destroyed every *exclusive* civil and religious privilege; aye, and even often held forth an equal representation of the people? Boons, which for its opponent, the coalitionists to grant, it was necessary to be in possession of, and to have *illustrated* in their own natal land.

This, and this only, is the cause of our failure in the pious crusade; and the further procedure, *on such a basis*, can only accumulate our misfortunes. I will admit, however, with Captain Pasley, who has produced 550 laborious pages, and has promised as many more, upon our military policy, some year or two hence; but 'tis hoped he will be previously requited by an enviable appointment; that after we had determined to chastise those dark *Lutherans*, the Danes, for having *silently permitted* a breach of their neutrality in the

passage through the canal of Sleswic, of our Russian subsidy specie (a fact little known,)—we might have decently retained the monumental ashes of Copenhagen, and of our *ingratitude*.

But does not the literary captain see—will not every good publicist see—in the very abandonment of that capture, we tacitly admitted, that the conscientious religious feud, which led the bands of Gustavus of Sweden, to check the *intolerant* hosts of France, even at her iron frontier, *was evaporated*? Had not our three or four crusades in Germany ascertained this? Had not all of the *Protestant* princes become prostrate? And why? Because that the British interference appeared to be founded on an *exclusive dominion of the seas*; and because the confederacy held not out a *reform* of each arbitrary state? The lot of the PEOPLE was not the consideration: We had forgotten to embark the imperial standard of REPRESENTATIVE GOVERNMENT, AND OF RELIGIOUS LIBERTY: The first of which was partially presented by the adversary; the latter (one-third of Bonaparte's senator protestants) was actually exemplified.

Unless, then, that standard can be unfurled upon the European continent, and previously consecrated at the British shrine of liberality and of justice, all plans for abridging the power of Bonaparte, even those of the gallant captain, will assuredly be in vain.

It is thus, therefore, that I deny we cannot

have a peace. Is it not, I pray, better to obtain a respite, and to proceed to the consecration of that sacred standard, and thus give this *piteous* continent some actual *proofs* of our superior civil and moral code? Then, indeed; may we expect, not an invitation to shed our blood, and exhaust our treasures in co-operation—but a simultaneous determination to enjoy what reason and nature has destined them, and, by divided governments, alike controul their external foes, or their insidious internal friends.

If, however, this blessed moment is yet far removed, I have already said, that it is become requisite to our independence, that we completely command the ocean, and not suffer a single vessel to enter an enemy's port. In forming this opinion, I have duly estimated the immense acquisition of United States shipping and commerce, during the preceding seventeen years war, *arising* chiefly from our kind oriental treaty with them of 1794, and *cemented* by their free ingress and egress into every European harbour.

I have also gravely reflected on what has been cogitated on the “law of nations;” and I am compelled to admit, that such law must, to be equitable, *bear a due proportion with the concurrent circumstances of the day.* The “law of nations,” then, of our time, fairly poising the actual domination of Bonaparte over the greater portion of European continent—with the critical position in which our councils have placed us, his antago-

nist, to such *baneful* power (*because* unaccompanied by the principles of a free government)—that law will justify Britain in the complete exclusion of *the new world*, from this awful concussion of *the old*—*the moment the flag of neutrality became injurious to either of the belligerents* : It is preposterous to suppose that a “ law of nations ” can be otherwise interpreted.

In promulgating this opinion, which, perhaps, will be much remarked, I was not ignorant that the United States are debtors to our merchants of a sum exceeding fourteen millions.

A similar amount, however, was in jeopardy at the separation of those colonies ; yet we found the trade renewed with additional enterprise. If, however, this apposite case may not be satisfactory, for that by hostility great permanent loss would ensue—that the honour or justice of the hostile foe is precarious tenure—I reply, the British legislator, and merchant, would then have another fatal proof, “ that no trade of the progressive increase of the *debtor* side of a ledger, ever was, or ever will be, any thing *but a great national deception.* ” *

* We never see the wary citizens of the United States, in Europe or Asia, but in their own manufactured cloth : I pledge myself, that if the war lasts five years longer, we shall have lost for ever our EXPORT woollen trade ! Perhaps those great personages who are seated on *wool-sacks*, will deign to consider, whether, if the India company's injurious *imports* formerly, produced the necessity of interments in woollen, their CONTINUED MONOPOLY, and such FLAGITIOUS TREATIES as that with the United States, of 1794, may not soon present a most serious crisis ? — All ought to know, that these States possess an ample supply of the raw material, as they do for our other great staple of cot-

It is not, however, without reluctance, I have introduced what may appear to some a broader theatre for destructive war.

I solemnly declare, in answer, that this digressive chapter is for the purpose of averting further state calamity, or, of effectually repelling the foe, if we are ultimately obliged to prolong the horrible warfare. Besides, I have sanguine hope, that, if our government should resort to the temporary monopoly of the seas, the United States are too wise to stray from their envied path of peace! All this, however, is founded on a *dernier resorte*. And, *even then*, we cannot regain our station in the first rank of nations, unless accompanied by a domestic liberality, which, like that of Tamerlane's successor, will give every man the advantages of society, agreeably to his talents and his worth. I now return to the subject more immediately under consideration.

*The actual state of Christianity beyond the Cape
of Bona Esperanza.*

There is but another point of view, in which I shall treat the great subject I have embraced; and,

ton goods. We have heretofore, in our annual manufacture of two millions and upwards of packs of wool, employed an host of people—and labour is, in this article, nine-tenths of its price!—Is it, then, an object of indifference, whether landed estates should rise or fall? whether, like 25,000 in Manchester, *one-fourth* of our population should be degraded by donations? Let us not, then, be compelled to exclaim, either of the Indian or American act, “AD RETINENDAM, ANGLIAM EXCORIAVIT.” In this pertinent digression, I have displayed the port folio, and the hinge, on which grates our American diplomacy,—THE SNUG INDIAN CLAUSE OF 1794! It could not be otherwise. A free people are entitled to know EVERY THING.

if it be the *last*; it will not be of *least* consideration, with thinking, and with moral men.

As it has been tolerably ascertained, through those *original* charters which have been exposed, that princes; in granting them, were piously urged by a wish to disseminate the more enlightened precepts of christianity, may we not lament to see, that after this christian military oriental warfare of 211 years, we can only find (Parliamentary Debates, 1806,) in ninety regiments, on the East-India establishment, ten chaplains? and that, (it is authentically known) over the forty millions of dark and unlettered Indian subjects, there are not above *fifty ministers* of Christ's doctrine accommodated with places where to expound his divine precepts! and that, for more benevolent aid, devout men (see Mr. Prendergast's speech in the last session,) have sometimes, and *only sometimes*, permission from these sons of Belial to enforce those precepts from a chair, or a table, in the bazar, or public market! If this, however, is substantially denied at home, I implore the moralist to seek, *if he can find*, one of the pamphlets of a Mr. *Twining, junior*, in which this son, in order to secure the impending election of his father to the envied "directorial chair," actually thought it politic to impute the late insubordination of the troops in the Carnatic, not to silly innovations in the habits or the creed of the poor Asiatics—not to a *general discontent*, from certain discoveries, and from further knowledge, or from a lack of pay,—

but, forsooth, from the *sedition* preachings of some half dozen religious *missionaries*, who, to the disgrace of our depraved institutions, have, of late years, contended with *apostolical revilings*, with *scoffs*, and with *privations*, in order to promote—what a *christian scheme of government* should have promoted, 200 years ago!

It is frivolous, but not impertinent, to say, that, amongst the voters for this “envied chair,” were some men, whose conscious duty led them to resist, on two several vacancies, the pretensions of this unfortunate author’s father; and if they afterwards allowed him the “honour”—*in consequence, mind*, of his assurance,* “that he was ignorant of this production,” or, “was ashamed of it,” I am compelled to compliment their *benevolence*, rather than their *discretion*. The parent, and director, then, who has a good comprehension, may happen to be edified from this page: As for the hopeless young man, I return him to his academy, and—to the New Testament!

If this, then, AND THIS IS, the deplorable consequence of *Asiatic violence*, of *avarice*, and of *unrepresented*, and, therefore, of UNCONTROLLED domination, would it be unnatural, would it be impious, for an honest individual, nay, even *an whole nation of freemen*, thus to implore and address the *highest* branch of the legislature? “the principles of *christianity* and of *justice* are the *basis* of your government; and *forty millions*, or *two-thirds*, of your subjects, devoid of a *representative* legislation, are strangers to both;

our oriental military government has proved *incompatible with the expansion of the mind*, and the *national character* has been *debated*; a conquered people *have retrograded* since that conquest, and present a spectacle of *slavery, ignorance, and misery!* By the *freedom of thought*, and by the *collision of opinion*, which had so pre-eminently distinguished our islands, it might have been expected, that *better fruits* would have been attained from the germ of our famed "*reformed religion*," and from our *ostentatious "religious liberty."* It might have been rationally hoped, that some one of your royal ancestors would have recollected, and have acted upon, the *memorable* and DIVINE dedication of Robert Barclay, to Charles II. prefixed to his "*Apology for the Quakers, 1678.*"

"There is no King in the world who can so experimentally testify of God's providence and goodness; *neither is there any who rules so many free people, so many true christians*; which thing renders thy government *more honourable, thyself more considerable, than the accession of MANY NATIONS FILLED WITH SLAVISH AND SUPERSTITIOUS SOULS.* If after all thy *warnings, and advertisements, thou dost not turn unto the Lord with all thy heart*, but forget Him, *who remembered thee in thy distress*, and give up thyself TO FOLLOW LUST AND VANITY, surely, GREAT WILL BE THY CONDEMNATION."

With such reasoning, and such reflections, do I consign this humble, yet interesting, basis and

outline,—to GOOD PRINCES, and to HONEST MEN. The few, who, on reflection, will censure me, will be found amongst those deeply interested in the continuation of the Asiatic monopoly, or, amongst the venal critics.

My conscience, however, has been my guide, my companion, and my friend ! The freaks of a *bad Judge* (now no more) deprived me of my avocation in commerce, and also of an independent property ; and threw me, perhaps, upon the scoffs—perhaps, upon the satire of mankind. But, I trust, that I am too enlightened to repine, when, in addition to my having first approached the throne (1795) with a petition for the *blessings of peace* I am again the precursor, the happy mean, of exposing a *pernicious monopoly*, and thus ULTIMATELY CONVEY LIBERTY AND CHRISTIAN CONSOLATION, TO FORTY MILLIONS OF UNFORTUNATE FELLOW-SUBJECTS !

Those “ ultimate ” measures are undoubtedly vested in the *legislative constitution* of the realm ; and, it is presumed, that in whatever place there is an interest, and it is a *general*, as well as *local* one, the parliamentary *candidate*, at the ensuing elections, will be PLEDGED, as SINE QUA NON, to introduce, and to promote, the expansion of this *oriental trade*.

If those “ ultimate ” measures should be abortive, the country will have *another* fatal proof of the evils of the “ rotten borough system.” If a meeting of merchants, from manufacturing and sea-port towns, were to take place, I should, in a

private memoir, give some relevant explanations:—
 But I have ultimately determined thus previously to appeal to “the candid and the good.” They will, it is presumed, cordially assent to the following

DEDUCTIONS:

“That *exclusive* privileges are incompatible with the principles of a free people, and with the spirit of the GREAT CHARTER.

“That those enjoyed by the honourable East India Company, were, until the reign of William III. obtained of princes by the most flagrant corruption.

“That, previous to such reign, this Company applied to, and received the sanction of, the infamous Judge Jeffreys.

“That their first act of parliament (1693, 5th of William III.) appears to have been obtained thro’ the medium of bribes, conveyed to the members of both houses of parliament.

“That their charters, subsequently obtained, attract towards the legislature *the most vigilant suspicion* of a free people; especially when it is recollected, that their representatives, before the revolution, invariably protested against all *exclusive* grants, as “incompatible with their principles.”

“That the last of them, the charter of 1793, appears to have been substantially forfeited, on the part of the honourable the East India Company.”

35, Nelson-square, London,
 1811.

FREE TRADE;
OR,
AN INQUIRY
INTO THE PRETENSIONS
OF THE
DIRECTORS OF THE EAST
INDIA COMPANY,
TO THE
EXCLUSIVE TRADE
OF THE
INDIAN AND CHINA SEAS:
ADDRESSED
TO THE GREAT BODY OF THE
MERCHANTS AND MANUFACTURERS
OF THE
UNITED KINGDOM.

LONDON:

PRINTED AND PUBLISHED BY J. GOLD, SHOP-LANE
FLEET-STREET.

1812.

PREFACE.

THE design of the following pages was suggested by the necessity of directing the determination, and of methodizing the efforts of the general merchants and manufacturers of the country, to obtain a just and reasonable participation in the trade with the countries beyond the Cape of Good Hope, on the approaching expiration of the charter, in virtue of which it is now monopolized, but by no means adequately cultivated, by the East India Company.

The merchants and manufacturers are already sufficiently alive to the importance of an opportunity, which, if suffered to pass by unimproved, may never recur, for relieving the commerce of the country from the lamentable state of languishment and depression into which it has been brought, by the concurrence of a number of causes; the generality of which, are either wholly, or, in a great degree, beyond British controul.

The continental system of Buonaparte having, for its object, the total exclusion of British goods from the nations under the influence of France, may, perhaps for ever, deprive us of the vents for our commodities, which we heretofore found in those countries; and the uncertain state of our relations with America, although there is reason to hope that it will not terminate in war, may, if much longer protracted, lead to the establishment of native manufactures beyond the Atlantic, which would go far towards our permanent exclusion from the American market.

These being, in a great measure, matters of internal regulation, both as far as America is concerned, and as far as relates to the countries under the controul of France, it may not be possible to counteract the influence of the present system, even if a good understanding with those countries should be immediately restored; while the terms upon which that restoration should be purchased, may be such as to deter, on the first demand of them, even those who now most anxiously wish for the blessings likely to result from it if coupled with those mutual benefits which British equity always contem-

plates in such cases. But the trade now monopolized by the East India Company, is the actual property of the British empire; the legislature of the United Kingdom will be free to dispose of it at their pleasure, and as it shall seem fit to their wisdom, and their regard to the interest of the nation, as concerned in it, as soon as the period of the present charter shall have expired. This opportunity, this resource alone, is within our own power; we shall exercise an undisputed right in giving ourselves the benefit of it---and shall the nation, when such a benefit lapses into its disposal, at such a time, throw it again out of its hands, and bid the public sit idle, and prepare to perish with folded arms; while a select body, privileged to the ruin of the country, is allowed to carry it on with limited means, to a limited extent, and to be enriched amidst the general poverty, of which it will form at once the principal cause and the most painful contrast?

The madness of such a sacrifice is too obvious, to admit any determination in the public at large; other than that of which we have such ample, striking, and satisfactory evidence,

in the resolutions and petitions agreed upon, in all the principal ports, and all the manufacturing towns and districts of the empire.—But that determination is resisted; and attempts are made to answer it, by declaring that it is founded in total ignorance of the subject—in false and delusive views of imaginary interests.

The exclusive trade of the East India Company is presumed to afford to that body, and to its leaders, an exclusive knowledge of every thing beyond the Cape of Good Hope, and all others are conceived to know nothing; and, by an extreme perverseness of ignorance, to embrace falsehood for truth, and mischief for advantage!

This is a mode of argument, which, if once allowed to avail the Company, may be kept in force to eternity: for, if an exclusive charter gives the Company the means of exclusive knowledge, they will, of course, keep that knowledge to themselves, and keep the public for ever in that ignorance, which is to be, ever and anon an unanswerable argument for the renewal of the Company's monopoly.

The Company, in coming to moot the question with the country, has certainly the advan-

age of local information, and of an established routine of business, not easy to be grappled with by men, who, with whatever understanding of the universal and invariable principles and rules of commerce---with whatever comprehension and force of mind, in applying those principles to a vast tract of land, and a multitude of nations, all presenting large openings for trade, may not yet be prepared to answer the cross-examinations of partisans, schooled in the details of the Company's factories in Hindostan or China, and prepared to puzzle with practice, when they find themselves incapable of replying to reason.

To supply this deficiency to the general merchant and trader, has been the principal object of the Author of the following little work; and that he has not bestowed his attention on this object, without cause; if not already sufficiently manifest, from the course of argument adopted by the Company's representatives, in the late negotiation with the Board of Controul, as it appears in the printed papers, containing the correspondence on that subject; and from the tone and language of the debates upon the subject at the East India

House; has been since most fully and clearly displayed, in the paragraphs inserted in the newspapers, obviously, by the authority, and at the expense of the Court of Directors, and by some of their collateral, and equally interested classes of subaltern monopolists. We allude to the appeal lately made in some of the newspapers, on behalf of the warehouses and warehousemen, the clerks, and labourers and porters, and the multitudes of other denominations of buildings, and of persons, employed by and under the Company.

To discharge those persons from their employment, is represented as a hardship, not lightly to be resolved on; and to render those warehouses useless, is spoken of as an act of wantonness, almost impossible to be committed by any one, conscious of its nature and amount. But those who argue in this way, can have no object in view, except to excite a local sensation, and to conjure up a local opposition among interested persons in London, for the purpose of counteracting the general sense and will of the country: for what substance is their in the argument, except as an appeal to interests and passions of this kind? And which is

more likely to find employment for warehouses, and for clerks and labourers—a limited monopoly, or an extended and expanded commerce, carried on with all the liberality and animation that belong to the character of a British merchant, when not sophisticated and restrained by the combination of characters and relations wholly foreign to the spirit and genius of trade.

The same answer may be given to a sort of selfish remonstrance sent forth on the occasion, by the ship-builders and owners, who are in the habit of supplying tonnage for the Company's trade: for, let us ask these men for a moment, whether the shipping interest, even of the Thames, and that too, even if the trade should in the import, as well as the export line, be thrown open to the other ports as well as to London, would not be likely to be materially benefitted, instead of being injured in the smallest degree, by such a change. Let them answer, if they can, or if they will, whether the trade with the countries beyond the Cape of Good Hope would not, if so thrown open, employ ten, aye, twenty, tons of shipping, for every one ton that it employs at present?

These arguments, weak as they are, put forth so studiously by the Directors, and their dependants and co-operators, evince their alarm, and shew by what arts they will endeavour to oppose the claims of the country, and to excite the opposition of other bodies to them. They shew also the necessity that was foreseen by the Author of this publication, for confirming the purpose, justifying the resolution, and invigorating the efforts of the general merchants, so as to enable them to meet, with effect, the opposition they will have to encounter, by particularizing their objects, and elucidating them with those views, which the information gained, and the observation afforded, and the reflections suggested to an unprejudiced mind, by a local residence, can alone furnish. The author is not an enemy to the Company; on the contrary, he wishes the Company well, but he wishes the Country better; and if an alternative be put, as it is in the present instance, by a narrow and mistaken spirit of self interest on the part of the Company, whether the Company's monopoly shall be preserved unimpaired, to the ruin of the nation; or the national interests shall be duly attended to, and incalculably benefitted and promoted, by re-

stricting the Company to their proper occupations, and to their real and natural character, he cannot hesitate, in that alternative, to embrace the side of the nation. If his humble efforts shall afford any instruction to those charged with the management of the public interests, and to the public at large, who are to be the main support of the opening of the trade, he will feel pride in the consciousness of having contributed to one of the greatest advantages ever conferred upon the country, or upon mankind.

FREE TRADE;

OR,

AN INQUIRY, &c.

AN important æra has arrived, when the lease, which restricted the commerce with an enormous portion of the globe to a particular and very limited class of men, to the entire exclusion of the general body of the merchants and traders of the British empire, is near its termination; and the rights, comprehended under that lease, are about to pass from the hands of the East India Company back into the possession of the nation at large—either to be delivered over again to those who have hitherto had the sole use and management of them; or, to be retained, as public property, for the general benefit of the country, and those of its citizens, who may be disposed and qualified to profit by so great an expansion of commercial opportunities. To what a crowd of important considerations does this incident give birth! and how grand and weighty is the alternative into which these considerations re-

solve themselves! and, we think we might venture to add, even at the outset, how little doubtful the determination upon that alternative to any wise and unprejudiced mind! The property which the country has leased out, being now, upon the expiration of the term for which it was let, about to revert to the public, who are the proprietors, it is to be considered what part, if any, shall again be impounded in the hands of the lessees; and what part, if not the whole, shall be retained by the proprietors, to be farmed by themselves and their general agents, for their own benefit. To this inquiry the present work will forthwith proceed.

Abandoning, at present, all discussion as to the propriety of the Company's further full enjoyment of the empire of their Indian territories, and waving, at the same time, any idea of examination into the views of the government, or of the country, in respect to the regulations to be introduced into the statutes for further continuing their territorial dominion, and the circumstances connecting themselves with it, as they regard the natives of India or the national character of Britain, or the interests of the Company—it is intended to confine the present investigation to the simple object of the trade.

To pursue the investigation of this subject comprehensively, it will be proper, first, to take a very

summary view of the circumstances out of which the Company's trade originated.

It will not be necessary to follow it from its minuter sources to its more improved state, when it was expedient to secure it by charter; suffice it to say, it began and arrived at this stage in the usual course, and the ordinary commencement and progress of commerce. Nor will it be requisite to talk of the rivalry it experienced in a second chartered company—which found it convenient, afterwards, for mutual benefit, to mix its stock with the first, and to become a joint stock company; on which joint capital the trade has been ever since carried on.* As the importance of the trade increased,

* At the period here adverted to, the mercantile glory and prosperity of Britain had not, in any branch or department, reached that meridian splendor which they have now, long since, in every point, attained. They had, in fact, only just shewn themselves upon the surface of the waters. Private individuals did not dare to undertake distant voyages, or to risk expensive adventures. All enterprises of this kind were invested in companies, now almost wholly extinct. Besides the adventures carried on by the Indian, and Levant or Turkey companies, and a few others similar, in corporations, there were scarcely any that could dignify the adventurers with the name of merchants. That the East India Company should be, under such circumstances, allowed to establish its exclusive trade, is not surprising; that it should be allowed to continue that trade thus far, is, perhaps, reconcilable, though not easily so; but that it should pretend to a further continuance, without any participation on the part of the public, is unreasonable and astonishing.

the Company found it necessary to increase their *local establishments*: thence arose large factories; and, as new rivals appeared in foreign companies, these factories were surrounded by fortresses, and the British Company were allowed, by the indulgence of Parliament, to raise slender forces, to sustain their commercial establishments. But the factories, and forts, and forces, were granted with a view to *trade*, not with the view to enable the trade to introduce, as it has since happened, an approach and an inlet to territorial acquisitions. But the incidents, in process of time, became more material than the direct and principal object.—The increase of territory, as it opened a field for patronage, was, at first, regarded as a valuable gain; but, in process of time, as foretold by the great Lord Clive, turned out to be the Company's bane, and produced evils, particularly in the Indian territorial debt, now nearly thirty millions, together with a debt of several millions in this country also; which more than countervail a large nominal revenue. But, according as this debt has accumulated, the beneficial trade, which was the grand object of the institution of the company, and of the continuance of its exclusive privileges, has declined. And here it may not be amiss to recommend, as a point and principle to be always recollected, that the Company was instituted, not to give its subscribers and stockholders the power or the right to acquire empire, nor the opportunity

of sharing large dividends, but in order to open a vent for the national manufactures, and to supply our home consumption with useful articles, and the comforts and elegancies of life, in abundance, and at reasonable rates. At every step and at every point of this enquiry, therefore, the reader should pause, to ask—how far these objects have been fulfilled?

But, to avoid all discussions not immediately connected with the subject under contemplation, we proceed summarily to observe, that the consequence of conquests has thrown into the Company's hands an immense expanse of country; running many hundred miles into the interior of India, from the coasts in the Indian ocean; extending, on one side, from Cape Comorin, beyond the Persian Gulph; and on the other, from the same point beyond the Ganges, as may be seen by a reference to the maps; comprising an extent of coast of many degrees, in no one point of which is it possible for a ship to land a cargo, except on the Company's territory; for it is impossible to regard the petty Marhatta states on the Malabar coast, and the kingdom of Travancore, lately subdued by the Company, and reduced to a state of perfect vassalage, in any other light than as provinces and parts of the Company's empire.

There are, also, surrounded by the Company's possessions, other territories of native powers, which it is not necessary to describe particularly, little

inferior, in respect of extent, to the Company's. These countries may be said to be relatively in the Company's possession, for the purposes of trade, there being no mode of access to them but through the Company's territories—no "*common way*."

The subjects of the Company, inhabiting the provinces comprehended in their actual empire, amount, including the new conquests, to four times the population of the United Kingdom; and the population of the countries to which the Company's territories command, or from which they preclude access, is not less numerous.

These vast tracts of land, comprising nearly the whole Indian Peninsula, and the inhabitants of these tracts, may be viewed, under the circumstances of the existing charter, as the first objects of the Company's commerce.

The Company have not only been permitted to acquire these territories with their revenues, and to prosecute a trade within them—but they have been allowed to pursue their commercial speculations to every part and place eastward of the Cape, and to consider them as much their own as the territories just referred to; excluding from them the rest of the mercantile community, of which they are only a part.

When the exclusive right of trade with India was first granted, the whole of the Indian, and the principal part of the Pacific Ocean, were given up to the Company, as a field for speculation; the value

of which was not fully comprehended, and remained to be ascertained. The public, not prosecuting it, had no means of knowing its worth, and could only learn it from the wealth, or appearance of it in the Company's representatives. The Company were cultivators, bound to foster, to improve, and to mature the trade; and favoured with advantages, sufficiently productive, to reward them for the honest and faithful discharge of these obligations. The advantages conferred upon the public by the Company's exertions are not so easily discernible; those gained by the Company itself are obvious.

As, from time to time, the public became acquainted with the advantages enjoyed by the Company in the monopoly of the trade, proportionate sums were demanded for the renewal of the charter; and it was not, in any instance, renewed without some immediate contribution towards the exigencies of the state, or some promise to that effect.

Such has been the course of things hitherto; and, from the conditions which we have just noticed, as forming the consideration insisted upon by the country, in every successive arrangement, a consideration uniformly increased till the present occasion, it is obvious that the country, at the expiration of every period, felt itself entitled to dispose of the trade according to its pleasure and its sense of its own interest; and if the option of making a fresh grant to the Company has been always hitherto preferred, the variation of the benefits re-

served manifested always the intention and the right to make a bargain, upon terms of advantage satisfactory to the grantors; which, of course, conveys a sense, or a persuasion of a right to give or withhold altogether, according to circumstances, as well as a right to grant, upon satisfactory terms of remuneration.

These considerations bring us of necessity to the sense and persuasion of a right to exercise a perfect freedom to grant or to retain a new lease of the trade—to grant or retain it in any limited extent, and subject to any conditions and reservations, that it may be thought reasonable in the grantors to prescribe, and prudent and profitable in the grantors to submit to.

For the Company, the charter may now be supposed to expire at an inconvenient time. Mercantile views, in general, have become more enlarged; and, in proportion as they have enlarged, the field for trade, from political circumstances, has, unfortunately become, in the same degree, narrowed.

Both these causes operating together, have excited an opposition, a very natural one, to the Company's monopoly; under the idea that, if it were abolished, a large expanse would be opened to mercantile adventure; not only as it respects our own immediate interests, but our indirect good, through intermediate trade with other countries; the effects of which, it is thought, would be reflected back on the country.

The public are, therefore, clamorous for *partici-*

pation in the Company's trade; for, as yet, there is no alleged pretence to annul the joint-stock course followed by the Company, intermixed, as it is, with their corporate rights; which, in all probability, will not be infringed upon.

But the Company, not content with this probable indulgence, insist that certain branches of the monopoly should be continued to them, and more particularly the *China trade*; and they insist further, that the ~~heaps~~ trade ~~to be~~ extended to the public, should be put under certain restrictions, which would, if imposed, involve private traders in much needless expense and vexation, in order to reduce their commerce in certain particulars, not only to a level with, but to place it under the Company, and to load it with incumbrances, which would render the prosecution of it almost impracticable. *

To these suggestions, the Board of Controul appears to have lent rather a willing ear; and there is reason to apprehend, from the connection of the Company with that Board, and of that Board with the Ministers, and of both with Parliament, in which they and their respective adherents are so frequently bound and actuated by common and responsive interests, that, combined and formidable efforts will be made, to deprive the general mercantile interest of the nation, of the whole, or the most important parts, of the rights devolving to it, on the expiration of the charter;

or, if any part be conceded, to shackle it with such conditions and arrangements, as to render it wholly useless and unproductive. To prevent a combination of this kind, from defeating the grand efforts now made by the merchants and manufacturers of every port, every town, and every district, should be the object of every friend to the freedom and prosperity of trade, and to the welfare of the country; and to give facility and effect to these efforts, is the chief motive for putting together the suggestions contained in the following part of this work.

If the country shall be properly roused to a sense of its interests and its duty, and shall speak its mind, with becoming energy, and maintain its resolutions with proper firmness, no combination can resist it. The voice of the nation must prevent the council of the nation from alienating the nation's rights from the nation itself, to a small part of the nation, and to a narrow and insulated class of its people.

From what has been previously observed, it appears, that the Company's monopoly, as at present existing, consists of two kinds of trade:

1st. As to the Company's own exclusive territories.

2dly. As to neutral or friendly countries, within the precincts laid down in the charter, and confirmed by statutes.

To the first, if they be permitted to keep their

territory, as it now stands, they suppose that they have peculiar claims, which remain to be considered.

To the second, we have not yet heard of any pretension, which does not equally belong to any subjects of Great Britain, as well as the Company, on the expiry of the charter.

But to take a hasty view of the first description of commerce—

It is to be carried on, as it will be observed, with the subjects of the Company *principally*, over whom they exercise sovereign power. The Company, or their agents, for it is the same thing, instead of being satisfied with trading solely with this immense population, to which their factories gave them access, have thought proper to subject them to their *rule*; which rule in the East is completely arbitrary. They have taken the territory and the revenue—they have monopolized the sale of the most valuable articles of internal consumption, such as salt and opium—and have hitherto retained, and wish still to retain, if not all, at least the *chief* articles of external commerce—precluding others from purchasing or exporting such articles. So that the Company, as sovereigns, can place what duties and imposts they choose, in the first instance, on the trade of their subjects, and would afterwards forbid them from trading with any other than themselves, or such purchasers as they would prescribe;—and yet they tell one of

their tender love and affection for their native subjects! What must be the condition of such happy subjects, either for the consumption of exports from other countries, or furnishing manufactures for foreign markets?

It is not within the view of an inquiry of this kind, intended merely to sift the grounds of the Company's pretensions to a renewal of their monopoly, and to assert the general rights of the national merchants, and, in pursuing these objects, to be as little polemic as possible—it is not within the view of such a work, to question the sincerity of the tender affection professed by the Company towards its native subjects; further than this, that as such a profession has been brought forward, coupled with a severe and groundless general charge, in argument for the exclusion of the general merchants from the commerce of India, it is rendered almost indispensable not to notice, and to reply to it. We must therefore ask, in such a state of things as we have described, and which are the most striking features of the condition of the Indian subjects under the sovereign company—will any one stand up, who affects the least regard for the natives of India, the present subjects of the Company, and raise his voice in favour of the Company's proposition? In their character of sovereigns, *Eastern sovereigns*, they are wholly incapacitated from acting as *merchants*—the two characters cannot co-exist, without the ruin of

the people; and, consequently, without rendering them unprofitable subjects for trade of any kind.

Surely, the Company might content themselves with drawing revenue from its subjects; and, as the condition of the people should be ameliorated their finances would keep pace—and bright commercial prospects to the one, and a full exchequer to the other, would break forth like meridian sunshine from a cloud of darkness.

We cannot help viewing this proposition, made on the part of the Company, mixed as it is with territorial sway, most unjust and preposterous. Instead of *struggling* for this branch of trade, in exclusive enjoyment, they ought to lose no time in *renouncing* it*; and to vaunt forth this for-

* The impossibility of extending the export trade to India, alleged on the part of the Company, is certainly not devoid of plausible grounds, considering the settled habits, the established frugality, and extreme poverty, of the greater part of the natives. But it is, at the same time, to be remembered, and remembered particularly by commercial men, that the expansive influence of commerce has wrought changes still more extraordinary upon nations, than the general introduction and consumption of British commodities among the nations of India. Who could have expected, two hundred years since, that the beef-eating and beer-drinking people of England would relinquish the food and the beverage in which they had a particular pride, conceiving them to be the chief sources of their strength and vigour, and that they would have turned over, almost universally, to the use of tea, the millions of pounds weight and pounds worth of which annually imported, form the chief source of the East India Company's gain. It is, besides, to be

bearance, as a reason for claiming indigence in another branch of trade, to which, as at present informed, we cannot perceive that the Company have the shadow of pretence. But, under the

considered, that these same natives of India, so poor, and so unalterable in their habits, are made to contribute most mainly to the Company's revenue; first, in the article of salt, which is the only thing they can use, to give a flavour to the insipidity of their rice—and, secondly, in the opium, the intoxication of which, serves to furnish them with a temporary oblivion of their wretchedness. The Mahomedans, moreover, who form a great portion of the population of India, are a people of splendid taste and sumptuous habits, having at their head most of the native princes; and being, in general, very opulent: and they, at all events, are likely to be, and are, in fact, at present, large consumers of British manufactures.

The article of tea, now grown into vast and unexpected, at first highly improbable, and even at this day, scarcely reconcilable, consumption, has enriched the Chinese farmer and merchant, and afforded large supplies to the Chinese government.

To the East India Company, it affords profits sufficient to counterbalance their losses on the other branches of their trade, and to distribute large dividends to the holders of East India stock. To the British Government, it yields a vast revenue; and to the British people a refreshing beverage, so cheap, as to be easily accessible, even to the poorest amongst us. It is not to be expected, that an article of the same universal attraction to the natives of India, should be immediately discovered, and sent out from this country. But it is in the nature and spirit of unfettered commerce, to excite new wants, and to provide the means of supplying those wants; and with so large a field as India to act upon, there is no doubt that a general trade will find means of creating a general consumption of articles; the supplying of which, will be highly profitable. This subject will be more particularly touched upon hereafter.

pretext of securing this foreign object, so widely distant from any of their actual possessions, they would find a reason for shutting out the general British merchant from scenes, the natural and open sources of adventure to him.

This brings us to the inquiry, as to the second branch of commerce, which the Company would reserve—namely, the *China trade*.

This trade originated in the ordinary way above shortly noticed—being accidentally within the precincts from which the people are excluded. This, contradistinguished from the trade with India, cost the Company nothing in acquiring. It is not a wrought article, where the materials are cheap, and the workmanship gives it value, but is a common, simple, natural object of commerce—ready to the Company's hands, and to the hands of every people, almost, in the civilized world. All the European nations of eminence, and some Transatlantic, have factories in China, which they have been permitted to erect; and, through the means of which, to carry on a permissive trade with the wary Chinese.

The Company conduct it in the same manner with others; and we do not know of their having any very striking advantages over other nations. Of this we are certain, that in a late case of emergency, in checking a piratical and insurrectional expedition of its subjects in the China seas, the government of China called in, not the English, the presumed favourites, but the miserably weak

Portuguese, who, to render the assistance required, were obliged to borrow the naval means, at second hand, from the English ships then in the Chinese ports and seas; and this jealousy of the Chinese towards the Company, has been proved to be not without reason, by the conduct of the Company's government and officers, in endeavouring to hold military possession of the port of Macao.

The trade with China having been established, without any sacrifice on the part of the Company, and having been so conducted by them, as not to claim any favourable consideration for them, on the part of the Chinese, no possible ground can be imagined, for the Company's inordinate pretensions to a further monopoly of it, except, perhaps, the establishments they have thought proper to form, for the purpose of carrying on the intercourse. The factory erected by the Company at Canton is, no doubt, very costly and splendid; and it has been made the means of provision for the sons, and other immediate relatives of the Directors: for the appointments on that establishment are retained specially for those persons, and handed down as a sort of heir-loom from one set of Directors to another. With this view, a palace, rather than a warehouse, has been built; and a princely institution founded, for the maintenance of which, a suitable revenue has been assigned. And for what, we will ask, is this expensive and luxurious institution created? Why, to enable the Company's

supracargoes to pass, in easy and convenient state, the progress of the *trading season*—the permitted period of *the Fair*—whence we are to see them banished the moment their stalls are taken down, when they are glad to find a shelter for their heads in the hospitality of the Portuguese, on their island of Macao.

But these splendid appendages, however convenient it may be for the Company, or rather their Directors, to retain them, are not necessary to the well-being of the trade; and, therefore, not necessary for the public to concern themselves about, unless they shall be set up, as we suspect, as reasons for continuing this traffic in its present channel.

The only ground yet assigned by the Directors, for none has been offered by the Board of Controul, is, that it is a very dainty or delicate sort of trade, and ought not to be thrown open to the vulgar. But every other nation of the earth prosecutes it, and have address enough to carry it on successfully—and who shall argue, that the English have no capacity to the same end? They who venture to insinuate this, are the last people from whose mouth such an objection ought to issue; since they, alone of all others, have so conducted this traffic, as to risk the further permission of it to the country, by involving themselves in serious misunderstanding with the Chinese government.

The Company have been more than once in

danger of losing the trade altogether, from the haughty carriage of their officers, who assume a port and bearing quite above all other merchants; and, if they had lost it, or if being, which is scarcely possible, allowed to retain it now, they should be excluded from it, in consequence of any future abuse or misconduct, would it not be an extraordinary circumstance, if the country should still be restrained from taking up the commerce? Yet that consequence, strange and unreasonable as it is, must follow, if the monopoly be now again conceded, and the Company should, in the event of any dispute, be excluded from the Chinese ports: yet under these circumstances, and without any well founded right, the Company, it seems, would keep this branch of trade to themselves, and would endeavour to persuade the Board of Controul, but seemingly without success at present, to convert it into a means of precluding British merchants in general from trading with the coasts to the eastward of the Bay of Bengal, and the cluster of islands in the Eastern Archipelago. With what pretensions the Company would reserve such parts of their present exclusive privilege, as we have now shortly adverted to, has been sufficiently shewn.

It is true, that in compliance with an intimation from the Board of Controul, the Directors have, reluctantly, consented to admit the public to a participation of the first description of commerce,

at present enjoyed by the Company; yet the participation is to be partial, and under restrictions, and for supposed causes, which we may hereafter advert to.

It has already been shewn, that the company being sovereigns, ought not themselves, even on ordinary principles, to trade at all with their own subjects. This maxim is established beyond all question, by writers of the highest authority; among whom, we suppose, it will be sufficient to mention Dr. Adam Smith. Without dilating, therefore, on a point already fully proved, let us consider what part of the Indian trade the Company would exclude the public from, viz.

the trade in *piece goods*,

————— *raw silk*,

————— *salt-petre*.

The first is the principal export from India; and there would seem no good reason, when the trade is thrown open generally, why this should be reserved, or indeed either of the other articles, unless it can be shewn, which is not now apparent, that there is some good reason for the exception. As to the latter article, indeed, it is said to be of a political nature; obvious enough, if it be founded on any solid ground. But we own, we feel some surprise, (being willing, however, to give the Company credit for liberality) that they should lay a claim to such privilege; since we see no less a sum than 400,000*l.* stated as a loss on the supply of this article to the public service, within

the period of a few short years. It would seem a little curious, if we did not know the extent of the patriotism of the Company, that they should contend for retaining to themselves this annual loss!

Having shortly examined what they would *retain*, now let us see what it is that they would *cede*, and under what *conditions*. If we are astonished at the extraordinary pretensions of the Company, we are doubly moved at the colour and extent of the restraints, to which they would subject that portion of the trade, which they are inclined to grant; which, if accepted, and pursued in the course prescribed, would be a left-handed present.

To take a view of the positions of the Company, in respect to this species of trade.

They lay it down as a principle, and which they claim some liberality in broaching, that they are not governed by commercial jealousy, in what they are about to cede; for, in fact, there is no reason for it, since "the Indian trade, as an *object* of *gain*, has gradually ceased to be of importance to the Company, or individuals." If this were true, the retention of it, surely, is not worth a contest; and more especially, since it cannot be retained with advantage to their subjects. This should induce the Company, instead of inventing restrictions, to hold out encouragement to the country. Why, like the testy and invidious animal, in the manger, withhold from others what they cannot benefit by themselves?

But though the Indian trade may not be worth having, yet it is politic, it is said, to keep India untrodden by a British foot. And hence a hundred evils are conjured up, to deter us from the admission of Europeans into the country. But how are they to carry on trade at all, and with what prospect, if they be not to accompany, and await the disposal of, their goods? How are they to sell their exports, or to purchase or provide a returning cargo?

All these objections, giving them what colour the Directors please, found themselves most declaredly in the jealousy of that body. They may say, (but who will believe them?) that they are only intent on advising the merchants of England against their own silly plans, arising out of the supposed profit of the trade to India; it will be found, it is to be lamented, on examining their arguments, their statements, and exceptions, that they are founded in no better passion than described, or in motives intimately connected with it. And hence spring, not only the restraints which they would devise for the traders to India, but they would follow them with similar incumbrances, through the whole course of the adventure from England to India, and from India back again to England. But to investigate the foremost string of restrictions, as they respect the part of the adventure to be conducted in India.

They would, in the first place, not allow any

merchant to *domiciliate*—and wherefore? Because, in the apprehension of the Directors, these men might be expected to colonise. Is there a greater fondness for emigration in Englishmen than in men of other countries? Contrary to the known passion of all islanders for their home, would these men unnaturally abandon their native country, and their laws, and for what?—

For the privilege of breathing, if they have so bad a taste, the tainted and *feverish* air of India—

For the purpose of putting themselves under the government of the company, in preference to that of England—

To renounce the blessings of nature—and to scorn the best security of human happiness—together with the comforts of society—for the sole purpose of travelling to, and sojourning in India, for India's sake: for the Court of Directors say, that there is nothing to be got by commerce in India. As the inducement, therefore, to go thither, will soon be found deceptive, there is no doubt that the dreaded effect from going thither will cease with the cause. The evil apprehended, would, in this way, soon cure itself.

But the *climate*, without any other circumstance, may be supposed to be a sufficient check on colonization. To learn that this is not mere *theory*, we need only look to other countries, who have had authorised establishments in India. Have the French or Dutch colonized there? And as to the

few who actually domiciliated, what has become of them? and what the effect produced to the mother country, while they sojourned there? What even of the *Portuguese*, the earliest settlers in India, and whose governments were more colonial than any other of later years?

This would seem to afford a sufficient *quietus* to the fears of the Company, on this ground. Phantoms to terrify themselves! What has been now said, may also tranquilize the Company, as to the apprehended *operation* of persons flocking to India upon the native subjects of the Company. For who are the persons, and what their description, who may be expected to emigrate, with a view to colonization? Will they not be persons of high mercantile rank, fortune, and character, rather than artizans and workmen? What temptation would the latter description have to undertake such a voyage, where labour, of every kind, may be, and is, performed by the natives, under the direction of European masters, with as much skill and success as in this country; and when those masters will, assuredly, cause their work to be executed in the cheapest manner possible? The influx, therefore, of Englishmen, or other Europeans, or Americans, into India, cannot be supposed to be considerable; and the class of persons who are alone likely to settle, are of a description, from whom nothing is to be apprehended.

It is admitted that there is a certain degree of

delicacy to be observed towards the natives, who have many religious prejudices and peculiar habits, that forbid the close contact of Europeans. Still, however, they maintain an intercourse, though not a very intimate one, with Europeans of every denomination.

The French, and Dutch, and Portuguese, have been able to support such intercourse with tolerable success. Some of these people, of late years, have sought to extend their natural intercourse, and have travelled far and wide in the interior, and have sojourned with powers, such as the Marhattas, the Mysoreans, and with the people of the Deccan.

Have not those adventurers been able to amalgamate with the natives, and live in peace and amity with them? There is nothing, then, *impossible* in such an union; on the contrary, experience shews it is very practicable.

But it is supposed, by the Directors, that Europeans, let loose on the Indian continent, would stir the chiefs into constant warfare. Does experience warrant this conclusion? Have the French less intrigue than the English? Or has this been the distinguishing characteristic of them in their connection with the native powers, whom they have occasionally served? It may be confidently asserted, that no native prince would have suffered them to exist, for a moment, in his country; if they had favoured insurrectionary practices among

the chiefs of his own territory, or would have lent an ear to their advice; if it accorded not with his own views and interests. A contrary conduct would have been, as far as regards the policy of the native prince, or, indeed, the French, *jeto de se*. Each adventurer might promote his own particular interests; but this would not be done without an appearance of serving, instead of overturning, the state in which he domiciliated.

If it be meant to infer that the English would take service with native states, and spur them traitorously on to hostilities with British India, we must have better evidence than an unmanly and illiberal insinuation, contrary to all experience, to found our policy upon.

But with whom is it intended that the British adventurers should domiciliate, or where do they lay claim to it? with the Company's subjects generally, and in the Company's territories. They would, too, during such domicile, be under the particular regulations of the Company, and, what is still more effectual, under the British law; visiting, not only all possible offence committed by them within the Company's peculiar territories, but in those even of their allies. These laws also have given a local tribunal, having cognizance of such offences. If, too, the legal ordinances, actually in force, were not sufficient to embrace every description of crime, it would not be very difficult to adapt them to the new state of things, on the extension of the intercourse of England with India.

Thus the penalties of the law would have the same effect, if not a greater, than the relation now subsisting between the Company and their servants, and would check any insult likely to be offered to the natives. But, if this insolence is so much to be dreaded, how does it happen that the natives are exempt from it under the visits and the authority of the Company's troops and civil servants of every class (including the youngest writers and cadets, and even private soldiers)? These persons go, not as humble and industrious traders, having to recommend themselves by their orderly and attractive conduct, but present themselves in all the imposing pomp of power and office; and, if *they* do not exceed their authority, is it to be apprehended that an excess will be committed by men, bound as the new adventurers will be, by every obligation of interest, to conduct themselves peaceably and inoffensively? If the common servants of the Company can be relied upon for such conduct, cannot the same reliance be placed on independent and respectable British merchants!—We should almost blush to ask the question.

Before quitting this subject it would seem fit to answer a possible objection that may be started, as to the probability of British subjects passing the boundary of the Company's territories, and taking up a residence in neighbouring states. That this is not very likely to happen in any great degree, one might undertake to state gratuitously ;

and on a parity of reason, as explained in the case of supposed general colonization. The different armies which the Company possess all along the frontier, in the shape of subsidiary forces, in the territories of friendly powers, and of residents and spies at foreign courts, would render any transgressions over the Company's limits, if it be desirable to guard against them, a matter almost of impossibility. It would be a work of labour and of art, travel which way they would, for British adventurers to pass, without the notice and, as at present, without the permission of the Company.

There is, however, this particular restraint upon it—the jealousy of the native princes—who could never, it is imagined, be inclined to give privileges to such settlers, beyond those enjoyed by their own subjects, or to put them in possession of offices that should tempt them from the British protection. Besides, it may be asked, who would voluntarily place himself permanently under the capricious tyranny of eastern domination, which, however varied in its mode, is, in substance, always arbitrary?*

* There have been adventurers, English as well as French, who have escaped over to native princes; and what have been their reception and fortunes? Some of the latter, indeed, such as *Deboigne* and *Perron*, who have had high military command, may be supposed to have had an envy of the British pre-eminence, and to have been stimulated to means, under the advice and commands of their government, to diminish it,

These short observations would appear to be enough, at present, for an answer to the fears of the Honourable Court of Directors—the apprehension of colonization, as affecting their own interests—or the interference of Europeans, if allowed to follow their merchandize, personally, with the Company's subjects.

A word or two is now intended to be offered, as to the tender concern of the Directors for the British merchants, who, it is feared, might be seduced by false appearances, to enter into Indian speculation.

if practicable. But have these most fortunate adventurers ever ventured on insulting or provoking the English power? or have they dared to recommend it to the princes whom they served? On the contrary, on the first breaking out, or shew, of hostilities, they have sought to send their private property to the treasuries of the East India Company, and have, themselves, followed on the first available opportunity. If such men, with their antipathies to the English, cannot be trusted by the native princes; it would hardly seem very probable, that they will confide more implicitly in Englishmen, who may be imagined to have a contrary bias.—But, allowing that they may be conceived as traitors to their own country, which the objection presumes, will this be a ground of confidence to the new prince whom they would serve? How do the Directors judge of the intellects of the native Princes!

But when and by whom has the fugitive English adventurer, accompanied by no character or national protection, been admitted to the service of the native princes? or, if admitted, to what rank has he attained beyond the lowest grade of command, except with the permission of the Indian governments? No one instance to the contrary can be quoted: hence the apprehension of the Directors would appear to be chimerical.

It is stated, that the natives of India, in general, have but few natural wants ; which are easily satisfied ; or, if they had *artificial* ones, that, commonly speaking, they have not the means of gratifying them ; that they are, in the *bulk*, a poor race ; and, though there may be some wealthy individuals, that their religious usages and civil customs will not let them purchase many European articles ; and those that they want, or are inclined to use, are very scanty, such as woollens for the cold seasons, and a small quantity of *unwrought* metals. This is said of *all* the Indian people, without respect to their different religions and casts, or their local situation. These, in point of fact, are almost as various as the territory they inhabit ; and it would be difficult to lay down a rule which would include all. But the *Hindoo*, or *Gentoo*, the most scrupulous of all, does not refrain from availing himself, so far as his means extend, of our manufactures of luxury, as well as necessity. He is a constant purchaser of European carriages, of articles of jewellery, of glass, and of ornaments of every description ; nor is he, in any way, forbidden from the general use of them ; though, in particular *Household utensils* he would prefer, perhaps, Indian manufacture. It is no uncommon thing for him to purchase even English cloths ; and when they are procurable, the *stuff shawls* of this country, as being cheaper in price, though inferior in quality, to those made in India.

If, in the interior of India, the natives of opulence had more frequent opportunities of seeing our luxuries and conveniences, and which they would have if Europeans were more extensively, than at present, permitted to sojourn among them, there is no reason to doubt but that a desire for them would be excited in the natives, which would lead to an extension of trade.

But the principal cause of the defect of exports from this country is, first, that it would cost the Company too much trouble to seek to extend them, by exploring new sources, when their attention is required by matters producing immediate advantage; next, that the *instruments* employed by the Company are not *mercantile*, none of their servants having a merchant's education, and not many of their Directors having been schooled in trade.

But what is the export trade of India, and who conducts it?

Putting the exports, consisting chiefly of *cloths* and *stores*, for the use of the Company's own establishments, out of the question, the rest consists in articles exported by individuals—principally by the *Company's officers*.

And how is this managed? Why, it is put into *godowns*, or warehouses, at the presidencies; and the captains of ships, and officers, splendidly dressed, and bearing a high rank, unacquainted with, and superior to, traffic, will not condescend

to go behind the counter to dispose of their investments, but leave their commodities to be sold by Dubashes, or Banyans, native traders, who may be found on the spot; who retail them out in the settlement, and answer for the debts, taking a percentage for their trouble. The officers get, in return for their articles, what the rapacity of these men chuse to leave them; who also exercise the same power over the cargo to be purchased for importation. Nor can the captains and officers suffer their eye to be taken off these honest agents for a moment; so that all is terminated on the spot.

In the walk of trade the native stands not in need of any protection; being generally found to be a full match for all the cunning of Europeans.

It happens not much otherwise in private consignments; only here the European resident at the presidencies, and the free merchant, knows his native agent better, and exercises his own judgment as to the credit to be given, and has a greater advantage in buying the returning cargo. But *he* cannot go ten miles from the presidency, without especial permission from the local government; and such permission is rarely given, if requested.

Is it to be wondered that no new sources of commerce are discovered? or, is it to be expected that any could be found in such a system of trade?

But it is advanced that others, such as the French and Dutch, who allowed of a freer intercourse with their own and foreign native subjects, were not

able to find or force markets for their exports. Now what were their local means? The *Dutch* never had but a mere footing on the sea-coasts, and had no means of intimate communication with the interior. They had not the manners, nor show, nor spirit, commanding the notice of the natives; nor had they the consequent influence. Their views, too, were abstracted from the continent of India at an early period, and fixed, more properly, as a mercantile body's should, on the islands in the Indian seas; where they have since kept up a lucrative trade. The case is dissimilar from the English.

As to the Americans, they have never had a factory, nor a foot of land; how, then, could they create new branches of commerce, or extend the old?

The French are not to be regarded as a mercantile people; and their aspect to India has been principally political; nor have they, besides Pondicherry, surrounded by a narrow screed of territory, any important passage to other Indian states; nor have the English, until years somewhat recent, had so general a communication. It has been noticed that, though they have had commercial means, they have not employed them to any large extent, nor sought to increase them. When, however, they have acted on these means, it has been at such cost, and on such principles, that it has been impossible to expect any

great benefit to result from them. Look at their commercial residents, factors, and their boards of trade, with their dependencies out of number, and then consider what the Proprietors are likely to gain from commerce, passing through such multiplied hands !

Are we to take the success of the Company in their speculations as a criterion of what the trade might be in the hands of those accustomed to its management ?

The argument built on the trade from port to port in India proves little, if any thing: for this would, naturally, be accommodated to the wants of India, insuring a quick and constant return—rather than to England: whither the trade must be carried on in English ships, chartered by the Company, and by prescribed persons and ways; which would make the British branch of it not only hazardous, at all times, but at no time worth the prosecution. If the Indian trade were to be thrown open, the beneficial effect of the *coasting* trade would be, at the same time, discovered. The one would necessarily serve the other.

What has been just observed will answer any argument arising out of the circumstance of the public not having availed itself of the tonnage of the Company's ships. Who would send their goods to such a market as has been described? none, certainly, it may be averred, with the least notion of mercantile principles.*

* What encouragement the Company's tonnage has given

But the East India Company prefer a claim for providing such a medium of commerce, which has been taken up, it seems, beyond the æra of their charter. But, if they have made a wrong speculation, as to the continuance of it, this, like all other losses in trade, should be borne by themselves; at any rate, it cannot be stated as an obstacle to admitting the public to their own indisputable right—the benefit of the Indian trade.

The grounds have now been slightly examined, on which the Directors have mainly rested, in opposing the opening of the trade with India; for it has been shewn, it is hoped, that they are not tenable on the principles avowed: that it may be carried on without offending against the policy, on which the Company have acted, or without improperly affecting the Indian community; and that there is no need of those restrictions, in India, to which the Directors would subject it.

To view the articles of trade a little more closely, in order to discover, which is sometimes doubted and sometimes half admitted by the Directors, whether the trade promises to be productive, *i. e.* whether the game be worth the candle.—

It has already been noticed, that it may be expected that the skill and industry of private merchants may increase the export trade, by discovering new inlets. Whoever takes even a negli-

to Indian speculation may be easily conceived, on taking any given shipment, and observing charges of freight, &c. to which the Company subject it.

gent survey of the vast tract of land open to the English adventurer, and the different climates which it embraces, may readily imagine what new marts it holds out to mercantile enterprise. His eye will be directed to the Latitudes, to the north-east of Bengal, to Nepaul and Arracan, and the country spreading towards China; and almost an equal space in a directly opposite course, towards Cabul and Persia. It will turn, naturally, also all along the Persian Gulph, and, crossing the Indian Ocean, to the eastern coasts of Pedier and the west coast of Sumatra—the intermediate islands, and to the closer seas, washing the Chinese territories.* In none of these vast territories have the Company yet, seriously, attempted any commercial communication. Not to enter minutely into the exports which they would severally take, is it not known that, in a great part of these countries, the natives, being of climates similar, in certain respects, to our own, must have wants of a similar kind, and, as they are not so advanced in mechanical knowledge as we are, that they cannot supply them, in general, so cheaply as we are accustomed to do, and more especially in articles made of the staples of our own country? May we not fairly expect to supply them with these? Would not the people of Pegue, of Ava, and the Malayans, spread all along these coasts, and on the circumjacent

* From the effect of the late captures it might also embrace one side of Africa and the countries bordering on the Red Sea.

islands, consume articles of our workmanship and manufacture, that are now scantily supplied from India? Would not they take coarse coloured cottons and chintzes of every kind, and a vast quantity of articles of iron and steel, differently modified? which are not enumerated in the list of articles of consumption noticed by the Directors.

Would they not give, in return, the woods, vegetable substances for dyes, spices, and other growth of their lands, and the produce of their mines? which the coasting-trade has imperfectly conveyed, hitherto, to Indian ports.

But, beyond this, the ordinary trade of India, the British government has recently captured the French islands, opening a new province, though a somewhat bounded one, for exports, but giving most valuable imports in exchange; among others, the finest sort of cotton; an article particularly spoken of, as a desideratum, by the Directors, and described as being deficient, and not of the best quality in India. This thrown into the general scale, will render this branch of commerce a fair and promising object of cultivation.

To this new field of trade are to be added Java and the spice islands in the Eastern Seas, which will furnish abundant fresh imports for the supply of Europe.

The list of the commodities enumerated by the Company, with these, would seem to present a fair lure to the merchants of this country, so as to

justify their undertaking the trade with its natural risks.

India is said, by the Directors, to produce spices, pepper, drugs, sugar, coffee, raw-silk, saltpetre, indigo, raw-cotton, and manufactures of the latter staple. To these we will add—gold dust, precious stones, woods of singular beauty and variety, such as sandal, rose, ebony, and sattin-woods, as also ivory, tortoise-shell, horn, gums, vegetable oils, wax, hemp, flax, rice, and, whenever required, wheat and pulse, in any quantity; all known products of India; besides numberless others, which the industry of our merchants might be expected to draw from hitherto unexplored regions.

Are not these encouragements more than sufficient to counterbalance the apprehensions of the Court of Directors, as to the unproductiveness of the trade? Their care to convince the mercantile world of this may be well suspected, looking to another part of their conduct. *This* would seem to be insidious, while *that* is, at least, candid and open.

If they had said “we will not admit the British merchant to share the trade,” we should not then have expressed any surprise at the restrictions with which they would burthen it. But they profess that, such as the Indian trade is (they are sorry it is no better), they have every liberal wish to let the community partake of it. But what is the participation they hold out?—a crippled and re-

strained intercourse. They would let you move, but with a log tied to the leg—like a man dancing a hornpipe in fetters.

But participation, if it means any thing, implies a fair and honest participation—a division of the whole with the Company, in such parts, or proportion, as shall be marked out—not like the division between a man and his cross-grained Rib, where one takes the *in*, and gives the other the *outside* of the house.

What! shall the Company have “all appurtenances and means to boot,” their merchants, their factors, their writers, their boards, their military forces, their navy, and their numberless associations—finding all, all of these necessary to the maintenance of their commerce—What! cannot they do without *one* of these fixed and constant establishments? and yet, wishing their countrymen to partake of the advantage which they have not the capital to carry on to its natural extent, grudge, at the same time, to their fellow merchants a footing for one poor agent to accompany, and to abide the issue of, his mercantile speculation?

But they are fearful, it should seem, that the mother country might be detrimented by any change in the commercial regulations, as they respect India; and also that their native subjects might suffer by it.

Can it be doubted, the Company even do not affect to doubt it, but that more exports would be

carried to India, on such a change, and more articles of import taken thence, in the direct proportion of the increased number of the traders? The latter circumstance, though they preach, sometimes, about the dangers to result to their subjects, is admitted to become the probable means of enriching their people, if it be carried to the extent of which it is capable,—so that their products may be carried to other countries, as well as England. Of those riches that may thus flow in upon their subjects, it is to be concluded that the Company may insure some considerable share to themselves and thus promote their interests more honourably and more effectually than by pursuing, as at present, an unnatural commerce with those over whom they reign.

But it is conceived by the Court of Directors, that the natives may be induced, by this freedom of trade, and the benefits resulting from it, to assert their own independence, and to throw off the government of the Company, and perhaps of Britain altogether. When, however, it is recollected, that these men have borne so long and so peaceably the government of the Company; the apprehension of revolt in a condition so much to be ameliorated, cannot be entitled to much consideration. It may also be supposed, that the mother country will not be so negligent of its own interests as to sow the seeds of such a revolution, and to suffer them to take root, and to come to

maturity, without taking any sufficient precaution; unless the principles of the Company shall be adopted in the outset, and the advice of the Company's counsellors, interested, not for the nation, but against it, be assumed, for the regulation and guidance of the nation's policy and conduct. It is possible we should conceive, that the nation may, of itself, comprehend, whether the same merchandize may, on an increased investment of it, promise the same benefits to the state, if brought into its ports by one description of its subjects, as if brought in by another. Not to dwell further on the restrictions which the Directors would put on the private merchants, but to proceed to answer the general objections which have been thrown out by those gentlemen, in their speeches, and in their writings.

It has been inadvertently thrown out by the Directors, that, on commercial disappointment, merchants, and adventurers to India, would endeavour to reimburse themselves on shore, for the losses of their speculations afloat. Is this the general course of English adventure, or is it a practice imagined to be applicable to particular latitudes? If it be founded erroneously on the former, the reputation of integrity and honour, established in three quarters of the globe, as distant nearly as India, will give a direct refutation to the slander; and if it rest on the particular ground noticed in the second place, as the experiment has not yet been tried, is it not uncharitable to sup-

pose, that an English merchant here, would act inconsistently with his character, as maintained in the rest of the world? Is the climate absolutely so infectious? And who is it that acquaints us with its influence?

Not wishing to indulge in the same freedom of reproach which the advocates of the Company's monopoly have made use of, against the friends of a free trade, we shall only claim for the merchants of England in the *East*, the possession of the same principles and sentiments *there*, (we hope we are not asking too much) that they entertain in every other quarter of the globe. We hope that they will no where be governed, whosoever venture to impute it to them, by the motives of robbers, and the spirit of pirates. That they will bear their losses, if they should occur, with the same philosophy that they have hitherto borne their good fortune. But if, unfortunately, the climate, or position, should affect them, and work the changes dreaded, we hope without any just ground, by the Directors, what may we not fear of a like influence of the same baneful sky on the minds of the Company's servants, and their masters? unless, indeed, *they* shall be able to resist such influence, from a *proper seasoning*; at which fortunate point, it is to be hoped, that the private merchants may also one day come. As, however, the apprehension of the Directors is bottomed on the fancied failure of the adventure;

and it has been shewn that such is not very probable to be the case; it is thought that the Directors may sleep in peace, and not be troubled with any further waking dreams.

The other apprehensions of the Directors may be lulled to rest like these; which latter have given cause to the restraints which they are desirous of imposing on the private trade at home. Thus it is wished to fix the *tonnage* of ships to be employed in this trade; the *course* of the *adventure*; the *ports of clearance and delivery*; with a long train of &c.

The lamentations, poured out over their own large and warlike vessels, which probably may become useless, are neither unnatural nor unbecoming. But, though we approve this, we cannot coincide in the idea, that because these vessels may want employment, they should act as a heavy incumbrance on others. Do the Directors wish to break the back of private commerce, by every weight they can heap upon it, or in a more mercantile spirit, are they willing to put up the broom, to sell their now needless shipping?

Disclaiming to enter into any minute history of the shipping employed by the Company, we shall only state, what is too common to require any other than a passing notice, that pure commerce has but very little to do with the size or magnificence of the Company's vessels. The Court of Directors ask not so much the build or bulk of the

ship, as who is the owner? and how many votes he can command at the India House, or in Parliament? and so of all those who have any relation in the ship, in the intermediate gradations, from the commander to the ship's husband. The same interest determines *whither* the ship shall be destined, and the season of its despatch. These are no unimportant considerations, and are not overlooked nor unregarded, among the many other objects of patronage within the Company's hands. While hastily touching on this ground, it may be remarked, for such is the natural tendency of things, that in all dealings, however great, or little they may be, this principle may be expected to govern; and as they are more or less used as a means of influence or protection, in the same degree they must have a baneful influence on the Company's trade. It may be left to the meanest capacity to pronounce on the effect of such a system, though it would perplex the keenest head and eye to trace it in all its windings.*

It is farther to be feared, that, with a like spirit as that noticed in the case just now particularized, the Directors may suggest the restrictions to be laid upon the intermediate trade between other

* In considering this part of the subject, it will be proper to bear in mind, that the practice of building such large ships for the Company's service, has for several years been recognized and deprecated as very injurious to the navy, for the service of which the scanty supplies of large timber now procurable, ought certainly to be reserved.

countries, standing in need of Indian or Chinese articles, ulterior or collateral to the direct outward and homeward voyages between England and India. They cannot, consistently perhaps with other objects, themselves pursue this branch of commerce.—Why would they, it may be asked, preclude private traders from the enjoyment of it, since it would serve to dispose of superfluous articles and commodities, the produce of their own countries, and the manufacture of their subjects? It seems at present doubtful, on what fancied principle they are proceeding. Why may not the British, as the Americans, carry Indian goods to the Spanish and Portuguese colonies in South America? unless it may be deemed a means of making an adventure profitable, which the Directors have prognosticated to be injurious, and that, like quacks—

Would rather that their patients die,
Than their prescriptions prove a lie.

If such a commerce might serve India, and the Spanish and Portuguese settlers, it would not, in a less degree, benefit our own country; inasmuch as it would lend a facility to the disposal of articles it does not now possess in South America; and would besides receive, ultimately, into its accumulate wealth the profit of the British merchant, with the articles of export in the original voyage outward, and the seed of a future adventure, which would turn in season to fruit, by a

like subsequent process and encouragement. If this course did not allow so much immediate profit to the mother country, in point of duties, it would receive benefit in another shape, and possibly, not only in an increase of capital, but in articles of necessity for internal consumption, bringing, possibly, one way or other, a proportionate increase to the revenue. And as the Company say, that more Indian manufactures and produce ~~are~~ brought to England, than she can consume or export; the markets in South America may help to take off the superabundance of India, without throwing it as a dead stock, at certain seasons, into the Company's warehouses, or the stores of the country.

But if this species of trade could be supposed by statesmen, or political economists, to trench upon the spirit of the navigation laws, as at present in existence; these, like all others, must yield to the times, and not the times to them. Nor would the legislature be at a loss to frame regulations, if any were requisite, for a trade to be so conducted. Our possessions in India, and the bordering seas, afford abundant checks to any trade that might be governed by principles illusory of the regulative law.

If the Company wish to share in future in this circuitous course of commerce; there can be no just reason for excluding them from that which is given to his Majesty's subjects at large. No one would wish to deal with them as they would deal

with others. Their conduct at this juncture, and more especially that which remains to be considered, is directed on the apparently selfish principle, of seeking to involve others in the same situation, into which their own thoughtlessness, or want of circumspection, has plunged them. Not knowing how they can refuse a participation of the trade to the private merchants; they have recourse to devices, which, if countenanced by those, who have a natural leaning to the Company, will either cheat the public of the benefit of the trade altogether, or place it under all the serious incumbrances under which the Company's commercial establishment labours, to reduce both to a par. Respecting the Company and the public; it may be demanded, are these two distinct bodies prosecuting their different adventures on the same principle? The one regards trade as the only means of their existence and livelihood; the other as a means of patronage principally, if not altogether. Making a comparison of all the commerce conducted by the Company, and taking all the charges incident to it, not only in shipping, freight, and direct disbursement, and in stipends to the body of servants, at home and abroad, engaged in it, there is not the least doubt, but that the Company will be found, if not losers, at least gainers to an amount not worth calculating. In this expensive and mischievous course, the Directors would embark the private traders.

We will not remark on the hints given by the Court of Directors, that seek to put the public under the dominion and controul of the Company, in the mistaken notion, that they are the natural masters, whereas they are servants, and as far as respects India, the creatures of the public. It is a hard lesson, but it is one that they must soon learn—as of course—and their pride will be dissipated in the due progress of things.

Nor will it be required that any notice be taken of other hints, thrown out to secure undue gains by the Company, either as a charge on the merchandise of private traders in this country, or imposts on the same commodities abroad; nor on those especially, where they endeavour to retain certain manufactures to themselves. All these proceed on the basis of private interest, so palpable, so undisguised, and so unsupported, by any inherent visible property within themselves, or argument from without, that it would be an abuse of common understanding to waste an observation upon them. They must and will be indignantly repelled by an enlightened legislature—as too unreasonable to be listened to for a moment.

To those suggestions, that are presented under a plea of securing to the state its regular duties, but in reality are aimed to harass the natural opportunities for trade, outward and homeward, with regulations, not only calculated to retard the progress of adventure, but to load it with intolerable

expense, and unnecessary hazard; it might be right to offer one or two remarks.

It appears, that the Company feel, that the situation which they have chosen for trade, subjects them to certain inconveniences, distinguished from other places that might be selected; and from and to which other vessels may take their departure, or make their return. In all voyages out and home, their ships and cargoes are exposed to the hazard of the Thames and Channel navigation, to which the ports of Ireland, Liverpool, Bristol, Plymouth, &c. would not be liable. Instead, therefore, of choosing to avail themselves of the facilities of these ports, as means of carrying on their commercial views; instead of accommodating themselves, who are the few, to the wishes of the many—they unreasonably desire, that the whole mercantile community should give way to them. This desire is the more monstrous, when it is considered, that the expected complacency in the community, would expose them, not only to a lengthened voyage, and an increased expense of sailing; but submit their commerce to the chance of the elements and war, more than equal to all the risks of the voyage besides. It is not, therefore, a matter of *etiquette*, but of *essence*. But the loss would not only be to the merchants, but eventually to the population of the countries on the sea coasts; who would have Indian articles unnecessarily increased in price, by the same circumstances, that would almost

double the mercantile costs. It is not the mercantile interest alone, but the country, that ought to resist these encroachments.

To talk of the effect on the Customs, from the changes of the place of sale of Indian commodities, would seem absurd, unless it shall be evident, that the ports, to which the produce of India would be conducted, were exempt from the visitation of the Custom-house officer. This is a blessing, so far as we have been able to understand, for which the country is not yet wholly prepared; and till that time arrives, it is believed, that the trade, as far as regards the customs, may be carried on in all ports with the like advantage to the country, as now.

If the Company shall plead their warehouses, and their dear-bought conveniences in London—it must be replied to them, that they had not any right, that we know of, to calculate beyond their term in the charter. What would they, or any other set of merchants say to him—who should build his offices of trade on another man's ground, and on so grand a scale, that it would occasion the bankruptcies of half a hundred ordinary firms, to sustain the loss, if he should be removed from the premises in a given time; and yet neglect to secure the renewal of his lease? Would they not brand such conduct with the appellation of extravagance or folly? But it would be absolute madness to expect, that vapouring on this extravagant conduct, the landlord should be bullied into his conditions.

In all adventures, there are certain matters, let them be as prosperous as they may, that must be written off to profit and loss. This is one of them. It is a false speculation, if not in the trade itself, in the duration, and profit of it, and must be placed on the wrong side of the account.

There are but one or two additional remarks, that we would make on the Company's hints—the one is, on the requisition, that the public, in return for the trade which the Company would obligingly give up, on the approaching termination of their charter, to the hands of those who gave it, should furnish, at different times, as there may be need, to the Directors of the East India Company, a sum amounting to six millions of money—not as a payment for any fixtures in trade, left behind them; not for any warehouses, or ships, or stores—but to enable them the Company to pay their own debts. What! after the Company have been driving a profitable trade, as they have told us from year to year, do they come at last to borrow of that very public whom they have deluded, and wish to exclude from the repossession of their own Six^d yes, six millions of pounds sterling! On the plea, too, that they have had a very losing concern of it—and if the public will lend them, for so it is in point of fact, so much capital to renew their trade, they have no doubt but that things will come round again.

We have heard of boys furnishing an instrument

discourage themselves—but none but a child could be guilty of so egregious weakness.

Until this moment, the Minister for India, and the Court of Directors, would have had people believe that all things were going on most prosperously; nor would they now have come to a disclosure of affairs, if things could any longer be dissembled. Into this unhappy condition, they have not fallen all at once—they fell sweep—but by a systematic course of delay and ruin—by a yearly excess, in their territorial management, of charges above their revenue—and by a continued loss in their commercial dealings.

The Directors may endeavour to blind and mislead the public, by talking wildly of the value of their territorial acquisitions, and the revenues to be expected from them; but, whilst we have this known and indisputable fact before our eyes, that from the experience of a long series of years, nearly equal to the extent of the charter, the charges have exceeded the revenue, in the amount of many millions; it would seem absurd, to look for any beneficial change, for any given time to come, without the public had some assurance, (which is not likely to occur, from the very constitution of the Company) that they would depart from the system on which they had hitherto acted; and which is the only one as they aver, suited to the administration of the affairs of the Indian empire. From an adherence to this system, is any

thing to be augured, but a recurrence of the same ruinous effects?

Within the period alluded to, the Company's debts have increased to no less an amount than twenty millions sterling.*

Some flatteries may be indulged by the Directors, that their assets have been enlarged within the like term; and that these will serve, in a great measure, as a balance against their debts. But the Directors, like all other persons of desperate circumstances, over-rate, not only their present, but prospective property. They reckon on the effect of their expenditure in forts and warehouses, as if their value were increased, in the proportion of the expense added to them—as if a ship could be estimated, by the money expended in its repairs—or a garment, by the number of sums exhausted in keeping the tattered remnants together.

On the same sort of reasoning, they build airy castles—as to the realization of long out-standing debts, from the native powers fallen into decay—or what is tantamount to it, into the arms of the Company.

As another species of this delusion—they look to alleged charges on the public, which have been long repelled by their representatives in Parliament; and, what is equally as deceptive, to the sale of the perishable and perishing articles in their warehouses in Leadenhall street. They would seem to be proceeding exactly in the same track

* For the effect of their territorial and trading system, *vide* Appendix.

with unsuccessful speculators, who terminate their career in bankruptcy; but which is staved off from day to day, by representations that have now become so common, that they can only impose on the ignorant, and make tools of the designing.

The remaining point that we would simply glance at is, the ungracious, and, we will say, ungrateful, manner in which the Company express themselves, of the cost attendant on the employment of King's troops. One should think that their services had been, in the highest degree, trifling and unimportant; whereas, they have been a great mean, we will not say a primary one, of the recent acquisitions of the Company.

It would appear, as if these troops had been sent to India in unjust proportions, rather to load the Company with an unnatural expense, than to afford to them protection, in an extraordinary emergency—the apprehended invasion of their territories in the East, by the strongest enemy that could threaten them.

But these troops have been employed, as it would appear, among others, in making some conquests for the crown; and Ceylon is particularised—But for whom have they actually conquered it? Why, for the Company, who have engrossed this, as every other species of trade within the Company's limits. Does the cinnamon of Ceylon go to the King's, or the Company's warehouses? Is the island otherwise profitable? If so, let them shew it, and the ground of their complaint.

They rail at the expenditure occasioned by the Egyptian expedition. But what was the object of that expedition? To prevent the French passing into the vicinity of the Company's territories. Did they wish such harmless neighbours? Or, if they had been allowed to go thither, who would, in all probability, have been the principal losers? Shall we then hear of this as a subject of remonstrance? This kind of representation is the more unseemly, when we consider that the Company have charged the principal part of this expense, as also the capture of Ceylon, to the public, and have had credit for it in their accounts.

Before this part of the subject is dismissed, it will be well to call their attention to a species of defence, which the Directors have derived, at the entire cost of the public—the naval defence of India; in which have been employed, for a long series of years, from twenty to twenty-five sail of men of war: and these have been used, not in defending the general interests of the country, but the narrow and partial trade of the Company.

If the Company had actually suffered from giving employment to a part of our military force, one should have thought that a reflection on the

* For the first, they have been allowed, on account, 1,761,807*l.*—for charges, and for interest on the advance, 1,006,550*l.*—making together 2,768,357*l.*

And for Ceylon, they have obtained a like credit, though not to so large an amount.

gratuitous support of the navy, would have sealed their mouths against complaint, and for ever.

But, instead of the country shifting the military force on them, it has suffered for the want of it in other quarters, where military aid has been required for the most important national purposes.

The Court of Directors appear, not only to have entertained erroneous notions of the Company's importance, but to have lost sight also of every thing owing to the *public*. They have forgotten, that it is to *them*, and their sacrifices, that they are indebted for their territory, with their exclusive trade. That without their representatives in Parliament, they could not have had any means for acquiring a foot of land; nor could they, without its permission, retain it for a moment now it is acquired. That they are sovereigns only by sufferance.

That it is not by virtue of any fanciful inherent right in themselves, that they have been able to raise and maintain armies, but from the toleration of the country; and that their exclusive trade depends on no other authority.

If they had a proper impression of this truth, it is to be supposed, that they would not have set up the vain pretences preferred. They would not have raved about their *privileges*, as if they had been self-originating, or self-derived. They would not have talked about the propriety of admitting the

country to their original rights, or have pretended to have a claim, to impose restrictions upon them. They would have petitioned, where they have foolishly undertaken to command.

The Court of Directors appear throughout, to have indulged sentiments, respecting the use and importance of the Company and its monopoly, which are not owned or felt by any other body of the community besides. They would seem to suppose, that the trade to India has been created by their own means, and their own merit; excluding wholly from their consideration, that their exclusive commerce is permissive and temporary by a sacrifice for a term agreed upon, of the public right to their private advantage—and, by the peculiar indulgence of the British Parliament, acting, or supposed to act, for the public benefit and convenience, in allowing to the Company the means, which were found necessary to or for the furtherance of their alleged commercial purposes. Without these aids, what would have become of the Company's trade, or of their territory?

But with all the permission and sacrifice of the public, immediately and collaterally—would they have reared either the territory or their trade, to the height at which they have actually or fancifully arrived? No: certainly not. For the most careless observer, who is at all conversant with the Company's history, must see, that, from the first footing the Company obtained in India, to the

present dazzling splendour of territorial possession, both the one and the other have been owing, not so much to the commercial or political enterprise of the Company, as to our naval superiority above any other nation, or all the nations put together, that have adventured to the Indian Seas. This has always given a protection and stability to the Company's trade; which the folly and misconduct of those, who have conducted it, have not been able to countervail. This has sustained it, against the weakness of individuals, or the ruinous tendency of the whole system of the Company.

Simple commerce, although it was the principle with which the Company first set out, has been long left in the rear in their journey, and has ceased to be the governing principle. It has been abandoned for years, as a minor and inferior consideration; and, instead of this, another has been adopted, of a quite different character, as the constant rule of action—we mean the desire of territorial acquisition. This has influenced, as strongly as the gainful influence of trade—pointing to the same end, the enriching of the Company, though not by the same means. In the one case, immediate interest has been the propelling cause; in the second, a more indirect influence—patronage and protection. What has so much tended to increase this as the possession of wide dominion; calling for the employment of a numberless host of public functionaries? From the use of this patronage the

Directors have been able to provide, by the way of patrimony for their relatives, and protection for their dependants; and have thrown the superabundance, the crumbs, from their table, among the Proprietors at large; who have been content with their proportion.

This has been a contrivance that has grown out of the cunning of traffic, to find a circuitous course for the enjoyment of advantages, which they could not obtain in a straight and even way. It was not to be hoped that the public could have endured, to see the Company going on from one permitted period to another, in money getting arts, by their own sacrifice, without wishing to participate with them.

The reasonableness of this was well known and acknowledged by the Company, and by those having controul over their affairs; but, though known to themselves, was curiously concealed from the world. To blind the public more completely, provisions were held out for their participation in the Indian trade, in an indirect way; by giving them an interest in the surplus income of the Company, after the payment of their ordinary charges. But these provisions, if they were ever intended to produce any advantage to the country, do not appear to have done much credit to the capacity of those politicians who favoured them—they have miserably failed. The public, instead of drawing any benefit from them in alleviation of their burthen,

have been absolutely called upon to relieve the East India Company, overwhelmed, as might have been imagined from their flourishing statements, by the very weight of their riches.

The public have been deceived by the operation of provisions, whatever honesty there might have been in the design of them, in expecting an unreal good, and in helping to encumber themselves with a positive and absolute evil.

It is not our disposition to say any thing harsh or uncharitable, even upon failures so difficult to be reconciled with the hopes and promises originally held out with the utmost confidence, from the highest authority. But it is not to be wondered that there were those who, in the heat of political controversy, did not hesitate to assert that the assurances held out to the public were intended to delude, for that, otherwise, the delusion could not have been so complete.

The statute of 1793, and the charter founded upon it, so far as respects the commerce of India, contains principles destructive of the main end it seems to have had in view, namely, the benefit of the country, through the instrumentality of the East India Company. Profit must always be the grand stimulus to commercial enterprise — now what sort of incentive must the Company have, from the operation of this charter, to prosecute their trade with spirit, when others are to reap, with them, the benefit resulting from their enter-

prise? The principle is a most erroneous one, in point of commercial œconomy, and was soon successfully detected by the sharp-sighted policy of the East India Company; and instantly departed from for more exclusive and direct advantage—descried, as has been explained, in the more lucrative system of patronage.

Nor was this followed by any material inconvenience, or loss, in other respects; which might be supposed to militate against the newly adopted policy.

What amount, it may be asked, have the Directors themselves embarked in the trade, or capital, of the Company? Look to their stock in the Company's funds! and, it will be seen that not one half of them have more than 1000*l*. Indian stock—a bare qualification to the chain of the direction.

But what is it to them, so they can have the long list of appointments, from the Governor-general of India to the humble cadet, whether they make 100 or 150*l* by the proceeds of trade. Trade must be not merely a secondary, but, rather, a wholly neglected, consideration, when opposed, on the other side of the account, to the vast amount of their patronage. It would be superfluous to pursue a topic any farther, so self-evident and so striking.

But, though the country has not derived all the good which it had been taught to expect from the Company's charter, it has, nevertheless, reaped, for which the Directors say it ought to be thank-

ful, a very perceptible and singular profit—and which the Directors assume much credit to themselves and their constituents for producing. Listening to their assertions, one would imagine that they imported vast annual wealth into the country, to the amount of several millions, by their commerce, far exceeding the prime cost of their importations, and the profits attached to them. But what reason have the Directors to plume themselves on this? Is the amount of duties of *their* providing? Or are they the mere *hand*, of which the public make use, in making their necessary contributions to the state? If paid by any other, it would come, in the same solid lump, into the coffers of the public treasury. Let us not hear any more of these imaginary notions, or illusive suggestions, calculated to deceive themselves; or, what is worse, to cheat and insult the common sense of the country. It is not less clear that the present system for the government of India will be as ruinous and mischievous for the Company, in the event, as it is unproductive and burthensome to the parent state.

In this latter part of our labour it has been our object (certainly an object for which we do not expect to derive much gratitude from those whom we would benefit, but still an object sincerely sought by us) to open the eyes of the Company, as well as those of the country, to their true condition. Their present state is, from obvious facts, as well

as from every serious consideration, so entirely unfitted for managing and monopolizing the trade of India, that it is not, in reality, consistent with commerce at all more particularly from the assumption of the character of sovereigns, which would seem to be utterly at variance with commercial pursuits.

As all human power has its boundaries, beyond which it cannot pass, it may, rationally, be conceived that the sphere of sovereignty, into which the Company have diverged from the confined circle of trade, is large enough to engage all their attention, all their capacity, and all their resources; that it is sufficiently extensive to occupy all their thoughts and all their means. Let them devote themselves, night and day, to the well-being of their territories, to the agriculture and manufactures of India; and think of trade only, so far as to devise the best means of encouraging and improving, by every facility, which, as sovereigns, they can give the intercourse, which will be best and most properly carried on by those who are merchants and traders by profession. Let them, above all, study and labour for the happiness of their innumerable, and most virtuous, and amiable subjects. Let them improve the condition of those subjects, by securing their property, and by enlarging their means of acquiring it; among which means a free and properly encouraged trade, carried on by merchants properly so called, deserves the first rank. Let them secure

the due administration of justice by wholesome and steady laws, and by suitable institutions, for the administration of those laws. Let them abolish their vast and numerous boards—invented only for the purpose of increasing the objects of patronage—and lighten themselves of all the gaudy trappings, which are calculated to destroy the substance for a paltry and tinsel show. Let them amend and reform the judicial system; which, alone, demands an expenditure of near a million yearly. Let them narrow their frontier, and reduce it to a defensible circle, and confine their future wishes within it, and thereby diminish their enormous military establishments, and their vast diplomatic expenses. These are grand and immense objects, not foreign, but, on the contrary, most appropriate and essential to the welfare of the Company, and to the character and glory of the country; and with which is connected, more intimately than they choose to allow, the Company's very existence.

Do not these abundant objects require the Company's attention? and are they not numerous and weighty enough to demand and exercise the whole time, wisdom, and talents, were they even ten-fold what they are, of the Court of Directors? These complicated concerns, if rightly attended to and arranged, may employ the Company, for years yet to come; and may find also employment for the co-operation and assistance of the Board of Controul.

Indeed it would not be a superfluous work if they both immediately set about the arrangement of a plan for the administration of their territorial affairs—convinced, as they must be, with the public, that the plan acted upon, so far from its having answered all those great ends anticipated of it, has served to involve the Company in an overwhelming debt—for which they have the slight and unsatisfactory, but, in ill success, the common consolation, of abusing one another.

Let them take prudence, though late, and attend to these things; they will then find their best interest in aiding and assisting the general merchants of the British empire in the establishment of a free and beneficial trade with their dominions; instead of attempting weakly, vainly, and most unwisely, to oppose their admission to that trade,

APPENDIX.

It would not only be difficult, but for the present purpose, unnecessary, to go minutely into the East India Company's territorial or commercial affairs. It will suffice to state a few general results, as flowing from an investigation of all their accounts, made by an official organ; which appears to have looked diligently into the subject matter, though from causes, which are explained, it has not come to such precise conclusions as might have been expected in an ordinary case.

On taking an account of the revenues and charges of the territorial possessions of the East India Company, for 17 successive years, namely, from 1792-3, to 1808-9, the latest period to which any accurate account extends, it is stated, "that the gross extent of the charges, beyond the amount of the territorial revenues, will be found to have been 5,078,015/." To which is to be added, not included under the ordinary head of commercial

charges, or the invoice price of goods, the sum of 2,916,279*l.*. These charges comprise the salaries of the Board of Trade, subordinate commercial offices, factories, and import warehouses abroad. The entire disbursement of India will, therefore, in this view, be found to have exceeded the ordinary revenues, within the period of 17 years, taking good and bad together, as must be done in all calculations, in the aggregate sum of 7,994,794*l.*

In the same inclusive space, there is an increase of India debt, of no less an amount than 20,035,194*l.*; to which is to be added the debt existing in 1792, amounting to 7,129,934*l.*: making, together, 28,035,128*l.*. The excess of the debt, within the period of 1792-3 and 1808-9, was, in a great measure, occasioned by disbursements for the purposes of trade; for as these were to be drawn according to the provisions of the statute of 1793, from the surplus revenue—and, as, in the stead of *surplus*, there was almost a constant *deficit*—there was no other resource left to the Company than the borrowing of money in India, for their commercial speculations: no alternative presenting itself, but the utter abandonment of the trade.

Combining the excess of charges over the natural revenues of the Company, with their accumulating territorial debt (making a fearful total of 36,629,422*l.*) the public may form a tolerable

estimate of the prosperity of the Company's management of their vast territories, as well as the probability held out of the future success of their government.

To this brief account of the effect of the territorial management of the East India Company, are added a few facts and circumstances respecting their *Commercial* transactions.

It appears, from official papers, that the whole of the exports * of the East India Company from this country, for the period of 17 years, from 1792—3, to 1808—9, and these including stores of every description, which may be presumed to constitute the greater part of the exports, amounted only to 11,554,218*l*. From which sum, also, is to be deducted 10 per cent. being the amount added by the Company to the invoice price of their goods and stores.

The sum credited to the Company, for the sale of such goods and stores, by the different Indian Presidencies for the like period, is 8,904,068*l*.

The advances made by the Indian Presidencies,

* It has been shewn, in the preceding sheets, that the spirit of trade, if not depressed by the continuation of the monopoly of the East India Company, may be expected to increase in an incalculable degree the extent of the exports, which are limited principally at present to the supply of stores for the purposes of government.

for the same period, for the purchase of investments for importation into England, were—

	26,038,226
Charges to be added, not included	
in the invoices	2,916,979
	<hr/>
	28,955,205

The sale of the articles, forming these investments, has of late years diminished in an almost incredible degree.

The sole amount of Indian goods,* which stood	
in 1798—9, at	4,667,295
was reduced in 1805—6 to	2,254,899
in 1806—7 to	1,472,074
in 1807—8 to	1,309,080
in 1808—9 to	1,191,213

* The confined vent for the sale of the imports into this country from India, which must be supposed, from the state of the continent and commerce at this juncture, to be immaterial, will be extended, as the general restrictions of trade, from the operation of the continental system, shall be mitigated, or removed, and a fresh mart may be opened for the sale of Indian articles of produce and manufactures, in South America, and elsewhere; which may enable the general adventurer to India to dispose of the returning cargo, purchased by his exports—and so prevent it, during the existence of the restricted course of trade, (which cannot be imagined to exist for ever), from becoming an accumulation to the stagnate and perishing stock in the Company's warehouses.

In the transactions of trade between March, 1803, and March, 1808, the excess of payments above the receipts is estimated by the Court of Directors at £7,433,855

But in a subsequent account, after an adjustment of some disputable articles, it is stated, in another official paper, that within the last 17 years, the total supply by India to England has been £42,178,640

Total return by England to India, within the like period £43,808,341

Balance in favour of the latter only £ 1,629,701

But this balance, it is said, will be transferred to the other side of the account, when a more particular investigation of the Company's affairs shall be concluded.

It would exceed the purpose of this note, to pursue the subject more minutely.

From the results noticed, it would seem clear, that the exclusive trade of the Indian Empire is too large for the hands of the East India Company :

That for a long series of years, their commercial speculations, generally speaking, have not been worth the pursuit :

That even on their own allowance, the profit of trade can never be regarded as a resource for the payment of the territorial debt.—in their own words, “It has always been perfectly understood, that, in the most flourishing times of the Company, their commercial resources could not be adequate to the discharge of the Indian territorial debt.”

That the discharge of the latter must depend on the reduction of the expense of management of the territory—and what a task that must be, may be gathered also from the Directors’ own admissions ; as follows :

“What is most obvious and striking, is the increase, not of the charges only, but also of the debt, as the revenues increased, and not merely in proportion to the increase of the revenues ; for whilst, from the year 1793—4, to the year 1805—6, the amount of the revenues has not been quite *doubled*, that of the charges has been increased as 5 to 2, and that of the debt nearly *quadrupled*, besides a very large sum of debt transferred in the course of that period to England.”

Whatever disputes may arise about the cause of the Directors’ complaint, the effect will not admit of question.

Should not these things convince the Company of their own unfitness to carry on the trade of the Indian Empire, and the propriety of resigning it to abler hands, and of directing their whole thoughts to the revenue and charges incident to their territorial possessions ?

THE
RIGHT
OF EVERY
BRITISH MERCHANT
TO TRADE WITHIN
THE GEOGRAPHICAL LIMITS
DEFINED BY THE CHARTER OF THE
EAST INDIA COMPANY,
VINDICATED,

WITH
IMPORTANT, AUTHENTIC, AND HITHERTO UNPUBLISHED
DOCUMENTS,

PECULIARLY APPLICABLE TO THE QUESTION OF A
MODIFIED OPEN TRADE TO CHINA,
UNCONTROLED BY THE COMPANY'S
AGENTS, FACTORS, OR SERVANTS,

AND

*Affording a satisfactory Reason why the Tonnage to that Country
assigned by Parliament has not been occupied.*

BY THOMAS LEE.

"All which, though at the time of their first grant they were tolerable,
and perhaps reasonable, yet are now most unreasonable and incon-
venient."

Spencer's State of Ireland, p. 1537. edit. 1706.

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PRINTED FOR

J. M. RICHARDSON, 23, CORNHILL:

AND

J. HATCHARD, PICCADILLY.

1812.

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MUCH of what, in the ensuing pages, relates to personal transactions, originally came before the Author in his professional character. At the period they were first submitted to him for legal consideration, the private injury, great as it appeared to be, afforded no proper subject for public appeal; but now, when the renewal of the East India Company's monopoly is under consideration, it has been thought, a communication of any facts so peculiarly bearing on that question might, in the public estimation, be deemed useful, and they are therefore committed to the press.

Since the following sheets were printed, the Author has seen a copy of the Petition of James Oliver, Esq. late a Colonel in the service of the East India Company; from whence it would appear, that gentleman has been dismissed the Company's service on allegations of personal and interested interference in the private trade: but Mr. Oliver complains that this dismissal was unwarranted, since the accusation itself was wholly false; and that the Company acted upon a report of their servants in India a copy of which they have refused the petitioner. On this, and on many other grounds stated in the petition, Mr. Oliver prays the interposition of the Honourable House in respect of the matters complained of.

Whatever may be the real merits of this particular case, for the Author knows nothing of it beyond what the petition discloses, it may seem from the grievances therein alleged, that some independent mean of summary investigation

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of the facts of such cases might be advantageously established: *e. g.* were an officer similar in functions to those of a British Consul, to be appointed by the Crown and to reside at each of the Company's factories, the interests likely to be affected by the result of such summary investigation, that is to say, those of the Company and the merchant, would be reciprocally protected.

It is not improbable but that Mr. Oliver may have been dismissed on *ex parte* representations of interested parties: a case similar in principle, that is, where the Company have allowed themselves to act upon the representations of their own commercial servants, no very clean-handed accusers, is mentioned, pa. 30 of the ensuing sheets.

The Author may observe, that had he seen the general subject, agitated upon the broad argument and upon those exclusive and important facts, which he imagines are now, as to the facts at least, for the first time submitted to public consideration, he would have been well content to have remained silent. And although strong animadversions are occasionally made on transactions with which certain individuals must necessarily be identified, yet no individual is named: if, therefore, the facts stated to have existed have not existed, no one can take such statement to himself; and if they be true, the Author may incur blame rather for hesitating to name the delinquents, than for forwardness to endeavour to awaken legislative inquiry on this great question. He may be permitted to add, that he is above rendering himself a vehicle for imputations he disbelieves; and equally above suppressing, from personal considerations, any truth, by the disclosure or investigation of which so great an argument as that contained in the title-page may be illustrated or enforced.

THE

RIGHT, &c

IF the general question of a monopoly of a foreign-trade, as applicable to British subjects, were now to be agitated for the first time, it would not be easy to find principles upon which, in the present state of commercial ability, a trading intercourse with any part of the habitable world should be limited exclusively to any one body of men. The integrity, intelligence, capital, spirit, and energy, which individuals may possess, seem to be the only natural or just bounds of such an intercourse; and nothing short of expediency the most justifiable, or of necessity the most urgent, may well be allowed to charter the existence of a system different from that which, in the course of things, thus appears to be both natural and just.

When British commerce was in its infancy, disposable capital wanting, and intellectual energy dormant, or otherwise directed, it is obvious that the efforts of individuals could rarely

be successfully applied to the attainment of any very extensive commercial object ; and, therefore, those who were desirous of embarking in remote, and consequently very hazardous speculations, would naturally combine their means, in order the more securely to accomplish their ends. This may be imagined to have been the short and conclusive argument upon which what are called chartered rights were originally solicited at the hand of Government. There is indeed a physical strength in concentrated power, whether it be intellectual or mechanical ; and so long as energy, combined or individual, to whatsoever object it may be directed, continues to be exerted for the general welfare, so long may it be worthy of public sanction and support ; and probably this is, or ought to be, the true touchstone of every institution around which society may have thrown an exclusive guard. It is not to be supposed but that the Government, in granting a charter which in its operation was to restrain the participation of alleged commercial advantages to a certain number of qualified individuals only, must have been convinced, that, although those advantages were to be thus limited, great benefits were eventually to accrue by such limitation to the whole community. It would also be apparent, that, unless the operation of many but defined restraints were unceasing, the projected advantages would be wholly lost to the public. To suppose that men in power are only influenced by considerations bearing an imme-

mediate reference to the public good, is in common charity ; but without casting upon present chartered or incorporated bodies the obloquy that would arise, by a broad statement of the venal and disgraceful means by which the rays of Government were so collected as to shine for them only, the question may be asked, Wherefore is the East India Company become entitled to demand of the present British Government a renewal of a monopoly, by the existence of which the energies and capabilities of the most stupenduous commercial public, recorded in the world's annals, is, as to India and China, to be limited, repressed, or extinguished ? It is too late, it is said, to discuss this great question upon first principles, or upon those at length discovered to be worthy being acknowledged first principles ; and it may be true, that the good and the evil of the monopoly, as it exists, are almost morally, it may seem that they are almost physically united with each other since it may also be true, that all the evil cannot be extirpated without loosening and endangering the existence of very extensive good. The gross materials cast up fortuitously, and they have been sorted and put together with so little judgment, and cemented with so little skill, that the standing of the fabric is of doubtful advantage, and its destruction certain injury.

The public opinion has long ago and often been expressed on the question of the general policy of the charter, and it has been viewed in every light that it might suit the vision of the philosopher,

statesman, or merchant to place it in * ; but it may be useful shortly to attempt to obviate some pretensions to a claim of public respect for their chartered rights, which are rather unfoundedly made on the part of the Company.

There is probably a present acquiescence in the opinion, that every thing of good would not be derived to the community, were the Government of His Majesty to be substituted for that of the East India Company, and by this substitution the trade to India, opened to every British subject, no otherwise restrained than subjects generally are restrained in their intercourse with any other dependency of that Government. Yet the principles of modification of the chartered rights of the Company may admit of very considerable relaxation, and that too as to points, and under

* It is singular to trace these words in No. V. Papers respecting the negotiation for the renewal of the East India Company's exclusive privileges :

“ In this case it will be unnecessary to enter into any discussion of the right of the Company to the territorial possessions, a right which they hold to be clear, and must always maintain, as flowing from their acquisition of those territories under due authority, and after long hazards and vicissitudes, and great expence.”

From this language it would appear that the renewal of the charter were conceived to be mere matter of form ; not that the chartered rights of the Company were to cease with their charter. Their territory is nothing different from any other property held for a term of years, and of which the Sovereign, is to be considered as the grantor, or as the paramount and liege lord, and true and only owner of the soil. Every charter, or renewal of the charter, it will be recollected, makes recognition of this sovereignty.

circumstances, upon which it is said modification is to be denied. Upon commercial questions, and indeed upon every question, commercial or not, abstract reasoning, as it is called, however speculatively useful, is always of doubtful authority; but to mercantile, more than other men, facts whereon to form their judgment must be submitted, and reasoning unsupported or uncorroborated by facts in their view takes its proper character of specious sophistry.

Upon the most impartial view of the facts and arguments existing and adduced upon the mere policy of the general question of renewal of this great charter of exclusion, this position may, it is presumed be advanced beyond even plausible contradiction,—that the East India Company, in their chartered character, have not conferred a greater benefit upon India, or upon the British public, than His Majesty's Government would have conferred on both had no such charter existed; and it may also be asserted, that the evil through which good has been ostensibly attained under the government of the Company, controuled as that government has been from time to time, and with no gentle hand, by the Legislature, appears to have been incommensurable both in enormity and extent.

Their vaunted jurisprudence has been imposed upon them by the Legislature, in consequence of public and private wrongs reverberated from one end of their territorial possessions to the other;—their residents and other official men have been wrought into a seeming recognition of the principles of justice, by the dread of impeachment,

or of exposure; of impeachment which, if it failed to punish by a judicial sentence, yet might become an often well-earned punishment, by its expence, duration, and disgrace: of an exposure which might consign these men on their return to their native country, to the glooms of solitude; to neglect; to remorse; or, finally, to despair: for what honourable or well-charactered mind could brook association with the venal judge, or with the rapacious oppressor; with him who, hunted out of one country where his crimes were known, might yet possess audacity enough to attempt to push himself into notoriety in another, where his criminality was only guessed at or rumoured.

With regard to the treatment of delinquents in India, Mr. Pitt, when what is called his India Bill was under discussion, declared that we had it not in our power to punish them;—that either a new process must be instituted, or offences *equally shocking to humanity, and contrary to every principle of religion and justice, must be permitted to continue unchecked*: every person, therefore, Mr. Pitt added, who went thereafter, would know the predicament in which he stood. Comes it gracefully, therefore, from the Company to allege, in their resolutions of the 5th May last, which may be called a manifesto against the interference of His Majesty's Government, that by that interference "the excellent system of civil and military service, framed *under the Company, and maintainable only by* such a body, will be broken down; the tranquillity and happiness of the vast population which that empire contains, and the interests of this

country in Asia and its constitution at home, will be imminently endangered."

There is something in this manifesto very indecent, very deceptive, or very forgetful. If the urgent necessity for Mr. Pitt's act, and for the institution of the Board of Controul, were not in our immediate recollection, we might be led to imagine, from the assumptions of these resolutions, that the excellent judicial establishments in India entirely and originally emanated from the Company, instead of their having been forced on the adoption of that body by the Legislature.

But no matter, if a wise and impartial administration of justice in India now take place, how so great and radical a change was effected: wherefore it has at length been thought good, that something more than a name and shadow of justice should now be found, is less matter for enquiry, than that justice being to be found in India is matter of lively congratulation. There is a period at which a Government may acquire the salutary knowledge,—that to govern well is the way to govern long; and with the impression upon the mind, that the Government in British India is highly beneficial to the subject there, it cannot rationally be contended, that the annihilation of the Company is necessary, or that so decided a measure would be attended with commensurate utility. Fortunate is the Company! happy are the inhabitants of its territorial possessions! that a wise and impartial administration of justice, and that a spirit of useful regulation in the internal economy in India, have resulted from their ostensible sovereignty there.

Let the local history of the people which now obeys their rule be referred to, and let the simple fact be impressed on our recollection, that the Indian peasant, heretofore exposed to the unmitigated cruelty and never-sated rapacity of every man who called himself his rajah, his conqueror, or his chief; of every man invested with the character of a Company's agent, officer, or resident; is now protected in the enjoyment of life, liberty, and property, under the ostensible rule of the East India Company,—but really and substantially under the controlling power, and through salutary interference of the British Legislature: with willing homage History will assign unwithering honour to a Government, who, to fill the benches of jurisprudence, sought out men of the most exalted talent, of the most enlarged acquirements, and of the most untainted integrity.

It may be observed, that if Sir William Jones and Sir James M'Intosh were chosen to fill the seats of supreme justice in their respective provinces, those who chose them must have looked into the seeds of time; they must have been competent to say, that good grain would grow, and they must gratefully have anticipated that bad would not spring up to choak it. The political principles of these able judges were known: Sir William Jones had written a supposed libel on Government, which a Reverend Churchman had published, and for doing so was ineffectually prosecuted. The freedom and ability with which Sir James M'Intosh had, indeed sanguinely, discussed and even excused the French Revolution,

were equally public ; yet to these men was administration of justice in British India most honourably and wisely confided.

India, it should be remembered, is ground on which the local government had been watched ; it is here, on Indian ground, that there were found men willing to track the ravages of the plunderer and the footsteps of the assassin ; to caution the unwary against the insidious net, and to attempt to shield the weak from the violence of the strong. All were not eager to be distinguished only for the commission of some enormity or other,—the suggestion of avarice, or the perpetration of cruelty. Some there were, whose eyes were not shut to speculation which they did not share, and whose hearts commiserated the criminality by which no benefit to them resulted. The machinery in India itself was too vast and too complicated to be worked or adjusted only by bad agents : in the commingled race, and in the order of nature, some better spirit would be found ; and as the movements of the machinery became more numerous, the chances of slumbering virtue and humanity being aroused and awakened, were multiplied ; the public delinquent was cramped, or at large in the execution of his prædatory plans, in proportion as his power was limited within a less or a greater circle : what could be designed or accomplished at Calcutta with the assistance only of a few chosen participators, would be liable to be defeated where many might become acquainted with the secret, and who, from their numbers, must,

necessarily, "be overlooked in the division of the spoil;" and, paradoxical as the assumption may appear, it was perhaps because the empire in India had become so extended, that the government in India has at length ceased to be distinguished by barefaced and frequent flagitiousness. *Eo crevit ut magnitudine sua laboret.* Could the policy of that government have remained impenetrably shrouded behind the Ionic columns of Leader-hall-street, or have been circumscribed by the immediate lines that surround its Eastern Presidencies, long ere this the only monument of the British name traceable in India would be an execrable remembrance, alike stupendous and immortal; for in the defedating and rapacious talons of the Company, it was truly said, with relation to that country, that there was nothing before the eyes of the natives but an endless prospect of new flights of birds of prey and passage, with appetites continually renewing for a food that was constantly wasting. Of such miscreants might the miserable inhabitants have exclaimed—

fœdissima ventris
Proluvies unæque manus et pallida semper
Ora fame.
Diripiuntque dapes contactuque omnia fœdant
Immundo : tum vox tetrum dira inter odorem.

And that, winging their flight to Europe,

vestigia fœda relinquunt.

The mere commercial question may now be resumed. It will be useful that the reader divest the discussion of the sophistry and whining intricacies in which it has been attempted to be involved, and

at once to meet the facts of the question. It seems, that a trade to India, but not to China, is at length under certain limitations, to be opened to the British public ; that is to say, it seems that, provided the British commercial public will find capital, the East India Company will find management ; and will also accept a large revenue, in the shape of duties, on a trade which, if they had capital, which they have not, the East India Company would carry on. This seems to be the present state of the question. Their right to ask these duties has been conceded to them upon the presumption, possibly, that, but for their exclusive government and management under their charter, India and its dependencies would not have presented, as it now presents, a safe and secure mart for every legitimate commercial object. The question of duty, perhaps, more immediately concerns the consumer ; but whatever proposed measure calls for a greater capital to be embarked in the prosecution of a particular trade than, unless such measure be adopted, would be necessary to carry it on, such measure also may claim the merchants consideration, and parliament will of course provide that the duties be limited by other motives than those which the temporary interest, or the caprice of the Company may, from time to time, suggest. It is not to be doubted but that, with relation to the duties, some just and permanent principle of limitation of their amount and object, will be established.

The letter of the chairs, dated 13th January, 1809, to the Right Honorable Robert Dundas (now

Lord Melville,) No. VIII. papers, &c. seems to treat the question upon the general grounds both of right and expediency. It presents however the phenomenon of men expressing an earnest desire exclusively to circumscribe a trade already ruinous, or not worth pursuing, by every fence that monopoly can desire to place around it; and by, scarcely sincerely, deprecating the ruin of competitors in that very trade *.

“ The trade is a losing one, and therefore we wish to retain it wholly to ourselves. If you embark in it as a competitor against us, we shall experience the mortification of beholding the ruin of a rival, and in order to prevent your possessing this barren field of commercial speculation, for cultivate it you cannot, since it will admit of no cultivation, we will that it be shut up, or that a few strays only be allowed to feed on the bents.”

This is the sum and substance of the commercial part of the letter of the chairs of the 13th January, 1809, and on a closer view of its contents, and of those which follow, and are to be considered twist of the same length, it will be

* The shameful and almost ridiculous echo of that part of this letter of the chairs of the 13th January, 1809, contained in some London resolutions, lately advertised, respecting the propriety of restraining any extension of the Indian or China trade to the port of London, will, no doubt, have its due weight with the Legislature.

The facts disclosed by these resolutions, very unwittingly indeed, on the part of those who let them out, almost compel ministers to exert the whole force of Government to extend as much as possible the benefit shewn to have been derived, and now so warmly contended for by the port of London.

seen that such a farrago of cant and commerce surely never before met the public eye.

If a certain and yet envied portion of that commerce be ruinous, or unprofitable to those who are already embarked, or who desire to embark in it, why wish to circumscribe it by charter? If it be that destructive speculation here so much at length it is attempted to be shewn to be, is not that sufficient charter? Needs ruin a charter! but why are the Company to set themselves up as witnesses and judges upon this great question? in the way of argument they have not yet convinced the great commercial body of the British Empire, who are justly clamorous for participation in the chances of good and evil; as witnesses of the facts, the Company adduce they cannot for one moment be attended to otherwise than to be utterly discredited. The inference intended to be drawn from the assertion, that Cromwell, after the experience of a few years of open trade, revived the Company, is as ill warranted as its inapplication to present times must be known to those who wish that inference to be made. That fact proves no more than is set down for it to prove, namely, that the competition was not successful. The causes why it was unsuccessful need not be enquired at this time of day. Because Sir Hugh Middleton failed, and that other projectors have been ruined, the schemes they embarked in or projected according to this mode of reasoning ought never to have been revived or continued. The New River Company ought

not to have existed, or that Company for supplying London with water ought only to have existed; and not a colony in America, or elsewhere, would now have being, since every one of these great schemes of such infinite utility to mankind, almost without exception were ruinous to those who first embarked in them.

Besides, what is the comparative state of commercial knowledge in all its bearings now and then? Wherefore is the conduct of Cromwell holden up to the present Government? is it meant as an example to be adopted in every question of public policy? Certainly not. The British trade to India, at the periods of its unsuccessful efforts alluded to by the Company, had not only to compete with a rival monopoly at home, but also with powerful rivals abroad, to whom foreign states had lent the means and countenance the most formidable and effectual in their power to grant or afford. In the present æra no rival state capable of forcing or excluding a well-judged employment of British capital in Indian commerce exists. But, admitting that the facts and arguments adduced by the Company, are believed by them properly to bear upon the question, and that they are really convinced of their force and application, does it follow that the Company's conviction, whatever it may be, is also to be the conviction of the whole commercial mind of the British Empire? Uninfluenced now by official obsequiousness, if they are honest men, the chairs must blush outright when they re-peruse the wordy arrogance of their fuming reasoning;

if they reason not from their conviction, but prank their false rules in reason's garb, the British merchants will, one and all, strip these budge doctors of commerce, deprive them of their theatrical stuffing, and shew to the world their lean and lank pretensions to any rational credence for sound fundamental knowledge upon trading questions, or for sincerity in vouching their opinions upon topics connected with them.

Lord Melville, however, does not seem to be a convert to these their axioms. His Lordship doubts many of them, has not allowed his mind to be settled as to others, and some he utterly rejects; but in Lord Melville's reply to this fraternal persuasive there is one sentence which is worth attending to, since it shews the very pith of their reasoning, if that be pith which is nothing, adopted by the chairs in this their letter. His Lordships says, "A considerable portion of their reasoning would lead to the inference as a general proposition applicable to ALL cases of foreign and distant trade, that a monopoly was more beneficial to both countries than an unrestrained commerce.

The old, stale, and, in a public point of view, the most offensive argument, as to the effects of competition, is resorted to by the chairs in these words, "If the Indian trade were thrown open, ships would at first, no doubt, swarm into it, and there would be a ruinous competition in the markets both abroad and at home. Goods would be enhanced in cost there as well as deteriorated in quality; the selling price at home, already too low, reduced still lower, and the market over

stocked." But these *gratis dicta* are exploded for every purpose but that of the chairs, who seem unable to estimate or comprehend the probable effects of competition upon the ultimate interests of the body they represent; which interests are, that the Company should be identified with their commercial or manufacturing subjects in India.

The Company will unwillingly admit Dr. Smith as their teacher, but the public will not hesitate to decide between them. This great commercial writer, when, on the same occasion, viz. that of renewal, the same question was agitated, and the same argument, almost in terms adopted long ago by the Company, observed, "That by a more plentiful supply, to the great advantage and conveniency of the public, it must have reduced very much the price of Indian goods in the English market cannot well be doubted; but that it should have raised very much their price in the Indian markets, seems not very probable, as all the extraordinary demand which that competition would occasion must have been but a drop of water in the immense ocean of Indian commerce. The increase of demand, though in the beginning it, may sometimes raise the price of goods, never fail to lower it in the long run. It encourages production, and thereby increases the competition of the producers, who, in order to undersell one another, have recourse to new divisions of labour, and new improvements of art, which might never have otherwise been thought of. The miserable effects of which the Company complained, were the cheapness of consumption,

"and the encouragement given to production precisely the two effects which it is the business of political economy to promote."

The argumentative weapon of these gentlemen, therefore, is calculated, like a Polish lance, to pierce two or three at one thrust, the Indian manufacturer, the British merchant and consumer, and the individual resorting to the English depot of Indian commodities.

Upon the whole, however, of this correspondence, in addition to what has already been observed, it seems that two most important points may remain to be discussed, although the discussion as to one of them is understood to be irrevocably though unaccountably closed. The two points are, 1st, As to the obligation, absolute or virtual, to be imposed upon the merchant to transact his business in India, through the agency of persons under the immediate local influence or controul of the Company's commercial officers there; and, 2d, As to the still closer monopoly of the China trade being continued to the East India Company. There is indeed a third but minor point insisted on, not only by the Company, but by certain merchants, ship-owners, &c. residents in London, viz. that whatever else shall be the modification, imports from India and China ought not to be allowed to be made into the out-ports. This has been alluded to in a former note; but parliament has not yet lent itself to promote the interests of London only.

From the nature of the facts presently to be disclosed to the public, or to which its recollection

is purposed to be recalled, it will be apparent that the profit, to be derived to the public from the supposed concessions, will be less in substance than the shadow of a shade, a mere frothy bubbling of benefit; filling the eye indeed, but neither slaking thirst, satiating appetite, or gratifying taste.

If the merchants be compelled to confide their adventures to the Company's agents, servants, or factors, what they are, how secure the merchants property will be, how unsullied by them his reputation will remain; whether even his life will remain unattempted, may justly be doubted; especially if those charges strongly implicating these officers, freely circulated in China and India, be well founded: and the doubt is increased, if what is as freely said here shall be proved, as it is alleged it is capable of proof, before a competent tribunal. Yet these agents, factors, and servants, who have used the Company's name and franchise to accomplish their own private views and speculations, or have cast it before them as a protection from the personal consequences of their numerous frauds and oppressions, are the men to whom it is a boon, a conceded boon, to be allowed to trust?*

The Company, in its corporate capacity, is neither, directly or indirectly, charged with present or past participation in the foul acts practised by

* For a flagrant instance in which the servants of the Company used its name to further a trade in which, contrary to the terms of their appointment, they were embarked, see *Billing's Voyage* edited by Sauer; Cadell and Davies, 1802.

ren in these characters; it is its want of preventive checks to detect, or, if detecting them, it is the imbecility to punish these men, which is now arraigned; a want and imbecility, which the mercantile interest of these kingdoms emphatically calls upon the British Legislature to provide against, lest it should be found that admission to a less restrained trade, as proposed, shall be utterly wanting in every character of permanent benefit; and only pregnant to the merchant with the ruin of his *Indian* speculations so well naturedly predicated by the letter of the Chairs of the 13th of January, 1809, to attend them.

Upon the quantum and due collection of duty, the interference of the Company ought to rest. If they be, or are to be considered as mediate or immediate territorial Sovereigns, let them exercise the function of Sovereigns, and as territorial Sovereigns only, holding their fiefs, however, by the homage due to their paramount lord the King. Let not their interference in the commercial concerns of others be a hybrid sort of king-brokering; let their sovereignty cease with appointing their collector of customs, and let not the Company be allowed to set snares for the purpose of entangling the free British merchant, removed, as he will necessarily or virtually be, from every means of obtaining summary justice for the perpetrations and delinquencies of these their agents, factors, and servants, or of persons immediately under the controul of the Company's commercial officers resident upon the spot. Upon precisely

the pretences alledged by the Company for the commercial transactions of the British merchants being subjected to the local interference of agents nominated by itself, or by persons under the immediate control of the Company, or its commercial officers, might the British Government compel every British trader to make his consignments, to pass his accounts, and pay his balances into the hands of commercial officers appointed by that Government, and whom that Government might, at its pleasure, consign on board an outward-bound vessel for New Holland.

The mention of regulations of this description sounds ridiculously in an European ear, accustomed only to the useful fiscal regulations of an independent state ; but when it shall be known that the experiment has actually been tried ; when it shall be found that British merchants, under the sanction and recommendation of Ministers, and by and under the licence of the Company, embarked in a most extensive but particular trade ; that agreeably to the terms upon which that recommendation was given, and that licence granted, the ample proceeds of the adventure were entrusted to agents, factors, and servants, appointed by the Company, and whose fidelity the Company guaranteed to such merchants, so embarking in that trade under such recommendation and licence ; and when it shall be known that these agents, factors, and servants, forgetting their obligation as servants, and their character as agents, and altogether the conditions upon which they had

derived their appointments as officers of the Company, became themselves competitors in the same trade with those very merchants; that they appropriated to their own use and benefit, to a very large amount, the proceeds of the cargoes collected by these merchants; then will the pretensions of the Company still to claim a right to insist upon this interference of *their* local agents, or of persons immediately under the controul of their agents, be as ill founded as is their power effectually to guarantee the good faith of those agents inefficient. The foregoing language, strong as it is, in imputing to the agents of the Company, or to those under their controul, whom British merchants have already been *compelled* by the Company to trust, implies a fulness of delinquency which, unless it were believed to have existed, it would be worse than calumny even to surmise.

Whether there be grounds for believing that agents of the Company, have abused their trust, and have violated the confidence reposed in them; whether they have betrayed those interests, and intercepted those views which, as servants of the Company, and as trustees of the merchants, they were pledged to promote, further, and extend, are certainly questions that concern the British merchant to ask, and also the Legislature to investigate. That specific charges have been made in the affirmative of these questions is now matter of judicial record. That the directors of the East India Company were apprized of the reports circulated respecting misconduct of their factors, agents, and

servants; and that they were so apprized by a man, whose noble, pure, and spotless mind, revolted at public officers omitting or violating their public duty, is also matter of record; and it is only to be expected it can be rendered equally clear that, on such communication being made, decided measures for the prevention of future breaches of the trusts to have been thereafter confided to the execution of their officers were adopted, and also that the directors facilitated the means of compelling their officers to disgorge the gains derived by them through their deviations from the terms and conditions of such trusts.

From the publication of an account of the voyages of Captains Portlock and Dixon, and from the war in which the British Government had nearly been involved on account of the Spanish outrage upon British subjects and property, at Nootka Sound, on the north-west coast of America, the public will recollect an adventure of considerable magnitude, undertaken with a view to realize those prospects the voyages of Captain Cook were fondly imagined to have opened to the commercial world.

This adventure could not have been embarked in without obtaining licences from the South Sea and from the East India Companies.

By the terms of the licence granted by the East India Company, it appears that the controul over the ships employed, and over the cargoes collected in the prosecution of the adventure, was vested absolutely in the agents, factors, and ser-

vants of the Company at Canton; such control to be exercised by them in the same manner, and with the same authority, as that vested in and exercised by them over the regular ships and cargoes of the East India Company direct from Europe. Some of the material clauses of one of these licences are inserted, Appendix, No. I.

In fact, not only the British merchants in Europe may complain that the Company's licences were mere netting to be cast upon the commercial bank by the merchant, and that the contents of the sein, when hauled, were to be gathered by the Company's agents, factors, and servants only; but even free merchants in India, and trading there, coast or otherwise, under local regulations, may also on the same grounds complain, and have alike fruitlessly, it is feared, complained. They too were alike compelled to trust to the local agency of the Company's commercial officers; and were alike sufferers from such agency. The important documents, marked Nos. II. and III. Appendix, sufficiently delineate the character of a Company's commercial officer now proposed to be forced on the trust and confidence of the British merchant. These authentic, but hitherto secluded documents, speak for themselves, confirm all that has hitherto been expressed or implied, and allow ample room for conjecturing how truly imputations of conduct the most reprehensible might be made. These letters of the Noble Marquis are moreover so decidedly conclusive of the argument of the present pamphlet, that its pages might well be closed with their in-

portion. It hence appears, that the Noble Marquis thought a liberal and unshackled treatment of those embarked in the India private trade, to be ever identified with the Company's welfare.

But it will be recollected that it has been said, that fraud and speculation existed in India exactly in proportion as the circle of action was confined or extended. Now the British private trade to China is a confined circle, within which, as it appears by these documents, fraud and speculation were, and still are, as it is said, rampant. That they have been practised with the most absolute impunity; that any preventive checks adopted by the Company have been useless and inefficient, is, it is to be apprehended, but too true; and that the Company have been lulled into a belief that the heavy charges contained in the letters of Lord Cornwallis were ill-founded, may, in due time, and when necessary, be made evident; that the evil principle of such a conduct on the part of presumed confidential officers of the Company yet exists, may be more than suspected. The British Legislature, probably, will feel itself bound strictly to inquire into the nature and constitution of the East India Company's present establishment, at Canton, and thus the British public will be enabled to estimate whether it be an establishment with which a British merchant can, with confidence connect himself, under any limitations to be prescribed as heretofore, or less restricted by the Company's licences; or whether the Company possess, or would willingly exert, the power or the

means of enforcing the observance of a faith and integrity, which, upon the face of the above letters of Lord Cornwallis, have been so egregiously violated there with respect to themselves. The servant that will rob the master will hardly spare his guests; and if the master be himself defenceless, what defence that he can make for them may his guests securely rely on?

In any commercial transaction to be embarked in by British merchants, within the geographical limits of the Company, it may be assumed that the local servants of the Company, entering, as has been seen, into competition with the British merchants trading to India, will not be bounded in their conduct by a sense of duty only. The charges contained in the letters of Lord Cornwallis were attempted to be answered by official reports and other documents, transmitted by the implicated parties; these will be found in their proper place in the books of the Company, and more particularly in the consultation book of the President and Select Committee at Canton, 1787-8; and yet the specific charges contained in those letters are true in substance and in fact, as will be made appear, provided the denial of interested parties shall not be taken to be evidence of the truth of such denial. On the part of the Company, therefore, it cannot be justly insisted that the licensed British merchant be compelled to confide in that local interference of servants, or of persons under the presumed immediate control of those servants, by whom even the Company are thus, by these important letters, to be

presumed to have been foiled, baffled, cheated, and circumvented. 'It is true, as has been mentioned, that some of the servants of the Company, supposed to be alluded to in the letters of Lord Cornwallis, have been reported to be guiltless; but these gentlemen are well conscious that this their absolution from guilt is no confirmation of their innocence: and nothing but a free and authoritative inquiry, as to whether the imputation of their using the sub-agency of Mr. Cox, contained in those letters, is groundless or not, can absolve them.

There is good reason to believe that this sub-agency was advantageously used by these gentlemen long before Mr. Cox was ordered by the Directors to be sent home in irons; and long after he returned to China; having, it is said, been enabled to return thither through the management of the Company's servants at Canton, who gave him letters of credit on their agent in London; which agent supplied him with £6000. With this sum, the individual who had returned to Europe a disgraced Englishman, was enabled to revisit China a triumphant Swede; and thus enabled to defy the imperial mandates of the Company, he resumed his sub-agency, to the great advantage of those with whom he had been, previously to his departure thence, connected.

These facts are not irrelevant to the general or particular question, since they so decidedly lay bare the poor and miserable impotency of the Company to restrain those plans and machinations of its servants, which not only defeat the interests of the

licensed British merchant, but also render utterly abortive those of the Company itself, as so justly complained of by Lord Cornwallis. Something more of the nature of this agency may be gathered from what is stated to be a fact:

A gentleman, now in England, and very highly allied, but at the period of Lord Cornwallis's letters, one of the Company's servants at Canton, has, it is said, been induced, innocently no doubt, to declare an account delivered by one of these agents to be so correct, that "a more clear or just account could never have been made." Yet this very "clear and just account," which made a loss of 20,000 dollars, has, it is said, been falsified, by its being shewn, that, instead of a loss of 20,000 dollars, there was an actual profit of 30,000; thus making the trifling difference of 50,000 dollars, in an account of no very great magnitude now under judicial discussion.

It is perfectly justifiable, therefore, to have stated, that if the British merchant be compelled to confide his concerns to the local agency of the Company's commercial servants, or to those under their immediate controul, it is questionable how far the rights of property will be observed by them; and as to this question, more need not be adduced as a ground for parliamentary inquiry, if not for present public apensation, than the signal letters of Lord Cornwallis above inserted, and the facts; or well-~~presumed~~ facts, also just specified.

Such inquiry will, of course, not unaptly

be directed to an investigation of the particular facts upon which Marquis Gortwallis's letters to Mr. Browne were written, copies of which, with the reasons for writing them, were no doubt transmitted by his Lordship to the Court of Directors here; they were so transmitted, and parties and persons found it necessary to attempt to excuse themselves. They returned to England; the transactions were, however, continued; they ceased, indeed, to be immediate and personal actors, but the secret firm remained undivided and unbroken. It will no doubt further be inquired, what succeeding measures were adopted by the Court of Directors, by way of example for past, or of prevention for future misconduct; and it may also be inquired, what answer was returned to his Lordship's letters; and the inquiry may also be directed as to what grounds exist for a belief that such measures have been effectual or not.

It has also been stated, that the factors, agents, and servants, of the Company, so to be trusted by the British merchant, may be little scrupulous of the means they adopt for sullyng the reputation of those whom they know have reason to complain of their agency. On this head, some preliminary observations may be made.

It appears that the views and speculations of several of these merchants, who, upon the faith of the Company's licences, had been induced to originate, and consequently to embark very largely in private trade, have been thoroughly defeated, whilst Russians and Americans, embarking in the

same line of trade, and pursuing the same objects of commerce, and under less advantageous circumstances than those under which British merchants might have been supposed to have embarked, have been gainers to the amount of many millions. It is said, that, by the single article of furs, collected on the north-west coast of America, and thence carried direct to China, the Americans only, since the year 1790, have derived a net profit of several millions: yet the British merchants, of those who first opened and established this very trade, and who, under the Sovereign, might have owned and colonized the whole of what is comprised in the general term of the north-west coast of America, *i.e.* from the Straits of Juan de Fuca to those of Bheering, or the extreme north-western part of America, were so crossed, thwarted, and counter-acted, through the active efforts of the Company's local agency at Canton, and through that only, that they were at length necessitated to abandon the trade, and give it up, without participation, to the unprincipled competition of the Company's officers. These officers, it may be supposed, would not fail to turn the profits derived from such their interference extra, or in abuse of their character of local agents of the Company, into an engine for hitherto baffling the legal measures adopted for the purpose of compelling them to account for, and refund the monies received by them, on the adventures and speculations of those merchants. As this particular question, however, is under legal contemplation and discussion, it would be hardly justi-

fiable to prejudice it; yet the facts of the suits depending are of the utmost importance in the scale of the general question: and although no partial inference be drawn, or judicial sentence pronounced, an impartial investigation of them, may surely be made the basis of legislative provision.

It appears, that, complicated with other machinery and management, by which the claims of the merchants alluded to had been attempted to be resisted, or impeded in their prosecution, a most audacious allegation was, through the influence of the agents of the Company, procured to be made the subject matter of a Resolution, or of a formal document of the Select Committee of Directors. By the Journals of the House of Commons it appears, that on January 2d, 1793, “ Mr. Dundas moved, that there be laid before “ the House three several Reports of the Select “ Committee of Directors of the East India Com- “ pany to the Lords of the Committee of His “ Majesty’s Privy Council, for the regulation of “ matters relative to Trade and Plantations, which “ was ordered accordingly. On the same day a “ person attended from the East India Company, “ and produced the Reports, which were ordered “ to be printed; and on the face of one of these “ Reports, the following accusation, supplied by “ the very description of men pointed at in the “ letters of Lord Cornwallis, and imputing to “ the British merchant here, the adoption of that “ very conduct which, it can be made to appear, “ was adopted by themselves extensively and only,

" This representation to the Court of Directors
 " was made by the agents of the East India Com-
 " pany, for the purpose of colouring or concealing
 " their own adoption of so flagrant a breach of
 " the duties of the situation which, by the Com-
 " pany, they were appointed to fulfil. The accu-
 " sation contained in the Report above alluded to
 " is this :— ' Licences were granted to Mr. Etches
 " for the ships employed in the fur trade. It was
 " thought that every precaution had been taken
 " which legal knowledge could suggest ; but
 " when the Captains arrived abroad, they fitted
 " out other ships in China, and proceeded on an
 " adventure without licence, declaring a deter-
 " mination to resist by force, not only the Spanish
 " power, but English laws.' "

That such an accusation should be thus
 recorded, and be permitted to be made, is one of
 the most glaring violations of the common prin-
 ciples of justice,—of English justice, at least,—
 that probably ever before met the public eye. It
 is really heinous that such an accusation should have
 been so permitted; that is to say, that the party
 accused should have been allowed to place the sup-
 posed obliquity of his accuser on the public records
 of the state. This case is almost unparalleled,
 even in the history of Indian judicial delinquency.
 Why did not the Company follow up this accu-
 sation? Why has it slept? And it is no less im-
 portant to ask, why has Mr. Etches so unaccount-
 ably suffered such an accusation to remain uncon-
 tradicted? If it be true, how dare he arraign some
 of these men at the criminal bar of his country?

How dare he at this moment, amidst adversity and oppression, pursue them through all the circuitous processes incidental to the Court of Chancery, and the law courts of the country? If it be false, with what confidence can the Company still claim to preserve inviolable an interference, by an agency to be appointed by themselves, in the transactions of British merchants?

The reason, however, why the accusation should be made, and why the Company should affect to believe it when made, and why they should put it thus on their records, is obvious; and yet to forbear to follow it up, by making an example of the parties who were thus presumed to have violated private faith and public law, is not so obvious. It is worth while that the merchant, trading under a licence of the Company, look to what may be the fate that awaits him, especially if his speculation be a good one: it is worth while that he consider who is here the accuser of a brother merchant, and before whom he is accused. The Company say, "We will grant you a licence to trade; but you must trust our agents, or those under our immediate controul, with the proceeds of your adventure." The agents are accordingly trusted; but the merchants are, or think themselves to be, grossly deceived by these agents; and on the faith of the covenant, on the part of the Company, for the due demeanour of their agents (see Appendix, No. I.), he either makes, or is about to make a complaint to the Company; but the Company, by way of impartially entertaining the complaint, or by way of answer to their guarantee,

produce the calumny of which their agents are the authors. The merchant is thus driven, first to remove the prejudice against him, supposing the Company actuated by no worse motives: he has next to make good his case by evidence to be obtained in China, on a spot wholly, with all the people on it, within the Company's servants' controul: Chinese merchants, who have assisted in the imputed fraud, are to be examined!!! All this is farcical to every one but the merchant here, deluded into a reliance on the Company's guarantee. Let the question be brought home:—If one guarantee the good faith of another, is it for that other to testify the demerits of the party calling upon that guarantee for indemnity? Certainly not; for the plain reason, that the testimony, if believed, would discharge his own future liability to his surety. Yet upon the evidence of their agents, the Select Committee allow themselves to report the British merchant a violator of that licence, “about the framing of which it was thought every legal precaution had been adopted.”

The agents knew what Marquis Cornwallis had done with respect to the well-founded complaints of the merchants of Bengal: they also knew that merchants in England would not silently consent to be plundered of one hundred thousand pounds; and therefore, reasoning with Hudibras, after he had beaten Sidrophel, who, it may be remembered, says,

For Sidrophel resolves to sue,
Whom we must answer, or begin
Inevitably first with him.

For we've receiv'd advertisement
 By times enough of his intent ;
 And know, he that first complains
 Th' advantage of the business gains :
 Is free admitted to all grace
 And lawful favour by his place.

The Company's officers, therefore, in this spirit and with this feeling, having first defrauded the merchant, next brand him to the public eye as a pirate. How will the British public, in such a case, distinguish between the flagitiousness of the accuser and the tribunal? But if it should appear that this denunciation of the British merchant were but a dramatic scene founded on real life, in which the Company's officers were the identical personages;—if it should appear, that in December, 1787, they corroborated the fact of competition, not only with the merchant embarked in that trade under due authority, but also with the Company itself, in a beneficial trade to China, as complained of by Marquis Cornwallis;—that themselves fitted out two vessels for the purpose of employing them in that fur-trade such British merchant had in a great degree, originated, and had been licensed to prosecute;—and if it shall appear that the captain, in case one of the vessels should be attempted by Russian, Spanish, or ENGLISH ships, to be put out of his course, were instructed to *repel force by force*; and that ships were, colourably only, fitted out under a Portuguese flag, but that the sole adventure were for the benefit of these agents, it will be evident that even English life might be unsafe,

if that life might in any way counteract the competition so forcibly alluded to in the Letters of Marquis Cornwallis above stated. If all these facts shall be made appear,—and that they can be made to appear there is good reason to believe, provided a competent authority investigate them, the East India Company must indeed concede something more to the British merchant than a liberty to trade under the management or interference of their commercial agents, or of those within their immediate controul; and the reason is obvious, also, why the Company have not followed up the accusation so grossly, meanly, nay, flagitiously proffered to be recorded on the Journals of the House of Commons, as a transcript from amidst their own muniments.

It is material, however, that a competent authority do investigate the details of this general statement of facts. All the facts would occupy a volume; and it should be recollected, that the object of these sheets is to solicit or lead the attention of the Legislature to the more prominent, but neglected, features of the general question; not to supply evidence which itself only can immediately command. Yet the legislator should be told, there are men now resident here who can afford,—though very unwillingly, it is presumed,—most important information as to how far the trade alluded to has, or has not, been rendered advantageous to the Company, or to its servants; and how it happens that the private trade has been, as it has been stated on the part of the Company to have been, a disadvantageous one to the interests of those embarked in it.

It is intended to be more than insinuated, that many of the Company's agents, factors, or servants, resident at Canton when Marquis Cornwallis's Letters were addressed to Mr. Browne, were engaged, and had long been engaged in a traffic directly contravening the terms of the licence granted by the Company to Mr. Richard Cadman Etches, the British merchant, through whose spirit, knowledge, and enterprize, it should be recollected, the suggestions of Captain Cook had been attempted to be realized, and were actually first shewn, experimentally, to be a practicable British object.

Let, therefore, Mr. Etches be examined by a competent authority,—not as to his own particular claim upon the Company, or upon their agents, factors, or servants; but as to his knowledge of the advantages not only lost to the great British commercial body, but also to the empire itself, by the close and guarded monopoly of the China trade; and as to his testimony of the possible and practicable frauds of the unaccounting servants of the Company. That these general facts, thus stated, may make their due impression, let the following dates be attended to.

The instructions to the Captain of the pretended Portuguese, but real English vessels (a part of which is mentioned, pa. 34, *ante*), are dated Macao, 23d December, 1787. These, it has been seen, purport, that the Portuguese Captain or Commodore is to repel force, whether American, Russian, or ENGLISH, by force. Now, Messrs. Etches' licences from the South Sea and East India Com-

panies, it should be observed (recommended by His Majesty's Ministers, and most warmly patronized by Mr. Rose, as will appear by No. IV. Appendix), are dated in August, 1785. Marquis Cornwallis's Letters, before referred to, are dated respectively the 5th and 29th January, 1787. It requires very little consideration of the nature of an extensive trading voyage, such as that planned and executed under this licence must have been, to enable the British merchant to see, that at the precise period of the Letters of the Noble Marquis, and that of the fitting-out of the pretended Portuguese vessels, the ships of Mr. Etches, with their cargoes, would be arrived either at Wampoa or at Canton; and immediately, agreeably to the terms of the licence, placed under the controul of the Company's agents. And of what agents,—how faithful to their employers, how true to their trust! the Noble Marquis's Letters, together with the evidence to be hereafter adduced before competent authority, and capable of being produced, may be made, as it ought to be made, fully appear to the British public.

The fact is said to be, and it is already matter of judicial record, that at the period these Letters were addressed to Mr. Browne, and when, therefore, they were under the consideration of the Select Committee for commercial purposes at Canton, these agents were contravening their duty and obligation to their employers; for about that period, namely, in December, 1787, the ship *Loudon*, fitted out in London in September, 1786, on account of the agents of the Company's servants in Canton, without the licence or authority of

the Company, arrived in the Tipa from the north-west coast of America, and employed by them or on their account, for the express purpose of carrying on the north-west coast fur-trade to China; a trade, it should be observed, *already* exclusively granted to British merchants, for five years, by the South Sea Company, and by the East India Company for the period of one voyage: but when the Loudoun was employed as an interloper within the limits of the South Sea Company by these agents, the five years limitation by that Company had not expired, neither had the one voyage limited by that of the East India Company been completed.

For this egregious and when the official character of those agents and actors is considered, it may be added, for this appalling fact, ample evidence, out of the mouths of the parties themselves, can be adduced; and the Legislature will thence be apprised, how futile must be any provisions for the benefit of British Commerce, if such an agency shall yet be permitted to controul it.

Now the Company, in its corporate character, should know, as well as some persons composing that Company in their individual character already know, that this ship, so bought and employed by the servants, or agents or factors of the Company, was reported at Macao as the Imperial Eagle from Ostend; it should also be remembered, that this ship mounted 28 guns, and had a complement of 90 officers and men on board, chiefly English.

And it should also be observed, that in the

Consultation-book of these agents and factors at Canton, annually transmitted to the Court of Directors, and before-mentioned and alluded to, not one word of this nefarious expedition or of the Loudoun, as applicable to themselves (the only parties essentially interested therein and benefiting thereby), is to be found; but this vessel is reported in the accustomed manner, as an arrival of the Imperial Eagle, from Ostend: and it appears by certain documents ready to be produced, as a competent authority shall require them to be produced, that several thousand pounds have been paid to persons employed in the expedition as hush-money, who have been compelled, by judicial process, to testify the material facts of the transaction.

But the present discussion on the question that presents itself in respect of the still close monopoly of the China trade, may not yet end: great and weighty are the arguments for further enquiry into the question, What is meant or what is intended by the still damming up this trade?

Upon the case stated on the part of, and by the Company (No. VIII. printed Correspondence, published by Sherwood and Co.), it appears that Government has obtained no concession in favour of the British merchant; neither does it appear, that in any beneficial way whatever will the commercial restraints created by the Company's charter be relaxed or modified. The Company, indeed, are at length made to concede—but what? A ruinous trade!! They retain, however, a close monopoly—of what? Of the only advantageous

trade which, according to the statement of their own case, their charter has guaranteed them. Is this that sort of exaction with which a Government, conservate of the general interests of the vast commercial body of the empire, will be content? Is this the concession which will, or ought to satisfy that body? Government seems aware that Lord Melville was instructed to demand less than is now demanded on the part of the public; and except as to the China trade, appears to treat the pretensions of the Company lightly, in comparison with the just expectations of the British commercial body.

If a charter for years be to be considered as a charter for an indefinite term,—if words are to be wrested from their understood meanings,—then the mention of a limited term of years might have been spared, and, like charters of incorporations of cities and towns, the Government needs not to have reserved to itself the power of examining into the facts, and of investigating existing circumstances which may from time to time occur, and which may totally and fundamentally originate new principles for legislative interference, or new grounds for restraining, extending, or modifying the terms and conditions of the original charter.

But the Government has in its wisdom reserved that power, and in its wisdom it will exert it. Although the principles of monopoly itself, as to this particular question, may not now be examined, yet those upon which even this monopoly may be usefully modified, cannot, at the present

period, but materially claim the strictest investigation.

At the time it was conceived the trade to India or China might be usefully restrained to flow in a particular and defined channel, the most sanguine mind could not rationally have contemplated the vast basis upon which it might thereafter be extended. At that period it could not have been foreseen, that within the geographical limits, now said to be comprehended within the charters of the South Sea Company and of the East India Company, would be found seas, islands, nay, a continent! from all of which it could be deemed expedient to exclude the future energies of the British public. It should be recollected, that *national* discoveries, long after the establishment of these Companies as chartered bodies, gave existence and identity to regions which were before ideal, or disbelieved to exist. Islands innumerable; bays, of vast extent; and, where the ocean or where islands only were supposed to exist, a vast continent has been discovered to extend itself. Now, the arguments thence to arise and to be enforced, and the inferences to be thence drawn, are short, clear, just, and irrefragably convincing: IF THESE DISCOVERIES BE NATIONAL, SO OUGHT ALL THE BENEFIT TO BE DERIVED FROM THEM TO BE NATIONAL. The South Sea Company hath long since ceased to be a trading company; and as it readily grants licences to trade within the limits of its charter, what follows is inapplicable to the nominal commercial charter of that Company. But the British public, wholly unaided

by the East India Company, it seems (if the charter be to be continued to be held binding in this respect) has planned, fostered, and perfected these discoveries, for the benefit of the Company only. Captains Cook, Clerke, Gore, King, Portlock, Dixon, Colnett, Duncan, Vancouver, and others, will have added, indeed, to the nautical splendour of the British name, but the East India Company suffuses its radiance, and neither pursues or adopts the commercial plans suggested, and in some degree reduced to practice by these commanders, itself, nor will it, except under trammels and liabilities to be plundered by its servants, allow British merchants to further or adopt them.

If, indeed, the East India Company had felt themselves encouraged, in consequence of their charter, to open, and “after long hazards, vicissitudes, and great expence,” established new and unheard-of avenues of commercial advantages, as they allege themselves to have obtained their territorial possessions, there might be something in the claim still to retain the enjoyment and exclusive appropriation of those avenues. But, when the merchant places the new map of a new world under his eye; when he reads the authentic relations of those voyages, or those parts of them so peculiarly interesting in a commercial point of view, he almost maddens with the reflection, that these great discoveries might, as to him, for ever have remained “in the deep bosom of the ocean buried.” He naturally demands, “Were the enterprizes, of which Captain Cook, and a succession of able commanders, had the direction, the enterprizes

of the East India Company? or did they emanate from His Majesty? Were they not pursued on the behalf of the British people, who, thus paying and contributing to their being undertaken and accomplished, unalienably became entitled, individually and aggregately, to reap the profits?" The merchant finds they were not the enterprizes of the East India Company. He finds that Company only sulkily and indifferently looking on, or invidiously thwarting an Administration, of which Mr. Rose was a distinguished member, and counteracting, by the covenants they exacted, and the limitations they prescribed by their licence, the extensive commercial views of Mr. Pitt and his colleagues. He also finds, that the British people, collectively and individually, did pay for the undertaking those enterprizes; and of necessity he infers that, collectively and individually, they became entitled to derive the profits to flow or arise from their accomplishment.

Yet at this unexampled period, he finds that these benefits, which the Company have neither fostered nor sought to attain; that these advantages, which the Company's means, diverted and incumbered as they are by territorial and political views and speculations, are too limited to pursue, are, if endeavoured to be obtained or pursued by British merchants, paralysed by the revolting touch of the Company's charter; but he also finds, or soon may learn, that though the Company itself is not identified with the advantages promised, and in part realized, by these enterprizes, yet that its immediate servants,

abusing their trust, have availed themselves of them to a very considerable amount.

It should be observed, that could the whole of Captain Cook's anticipations be realized, the trade to be thence derivable would embrace almost one of the hemispheres of the globe. The fact is, as it is most confidently said it can be made appear, that several members of the Company, or their immediate relations, in their individual, and therefore unaccounting character, have embarked in and carried on this trade ; short indeed, immensely short, of the capabilities it possesses of extension, but extensive enough for the purpose of shewing how much advantage British commerce may derive from it, if thrown open, upon modified terms, to British commercial energy, and even to British necessities. The fact further is, as it is confidently stated to be, that the proper funds of the Company have been employed, diverted, or diminished, for the purpose of partially carrying on this trade ; and that while it has been shut up from the British merchant in general, and unused by the Company itself, it has been open to persons, mediately or immediately connected with, or acting for, great East India Proprietors ; and it is said to be notorious, that men concerned in this very trade, this very competition, so loudly complained of, and alluded to by the Letters of the Marquis Cornwallis, have found their way into the Direction.

It may be captiously replied, indeed, that Great Britain does in reality take the lead in reaping the full advantage of its own discoveries, in as far as it may be presumed that the monopoly

of the East India Company is itself a national benefit, and that the nation mediately, through that monopoly, derives the full benefit the line of trade pointed out is capable of yielding. It may be further alleged, on the part of the Company, that it does not cast its charter in the way of any beneficial trade that might result from national discoveries in the North and South Pacific, since a free navigation of those oceans is not pretended by them to be excluded by their charter.

Such shameless fallacy of reasoning is untempered even by pretensions to credence, or to common sense. If the Company, as has been previously observed, had embarked in, much less had it exhausted this trade, then such reasoning might have been entertained by well poised minds; but if the united voice of the whole free commerce of these dominions be loud in soliciting, at the hands of Parliament, a modification of the monopoly of the China trade, in which is, of course, intended to be included a trade with all that part of the intermediate continent, and also with those islands untouched at, and probably unthought of, by the Company, what of reason, justice, policy, or duty, may be alleged for denying that modification? It is a course of trade the Company have neither used, nor are capable of using; and which was unknown to exist until long after this damning charter of present exclusion existed. And as to the Company's denial that they clog, or interpose in, the national discoveries in the North and South Pacific, it may be replied, that if it shall be made appear that those discoveries are only to be

rendered beneficial to British commerce in general, by the trade to China and India being thrown open, under advised but very distinct regulation from that heretofore adopted; and if it shall also be made appear that those discoveries are not, or that they cannot be made beneficial, by reason that the charter cuts off or excludes the only markets that would, in all probability, make them so, the position that the monopoly of the Company renders abortive those national enterprizes and discoveries, is clear, and incapable of contradiction.

But a time at length arrives when the question of renewal of the Company's charter is to be entertained in Parliament: the merchant, however, finds the gleam of light, visible at the end of this long gallery of darkness, diminishing instead of enlarging as the end is approached; and that influence sufficient exists to close his views of a beneficial commerce to China for ever. He finds that Government, through its organs, Lords Melville and Buckinghamshire, yield, surrender, and give up all claim on the part of the public to participation in the China trade.

Will the Parliament, as arbiter between the country and this member of it, the East India Company, sanction so mighty and unrecompensed a cession of national and commercial objects? Will Parliament endure a dereliction of those undoubted and inherent rights? A dereliction of the worst species, since at one sweep it takes away every thing from the well-founded hopes of the British merchant, gives nothing to the Company in its corporate capacity, but nurtures those seeds

of rapacity and corruption in its agents, which are to grow up, overshadow, and at length destroy it.

It may be repeated, that the British merchant has an unalienable right to national commercial objects; and Parliament, all powerful as it is, and constitutionally ought to be holden to be, will not lend itself to assist in squandering upon a chosen few, those objects which every British subject has an indefeazible right to consider as his own—a right not to be wrenched from him by the unlineal hand now uplifted against him.

Let it be again asked, if all the commercial advantages to be derived from the discoveries of Captain Cook, and his immediate coadjutors and successors; extended by Captains Portlock, Dixon, Colnett, and Duncan, the captains employed in the licenced ships, fitted out for the China and north-west coast fur-trade by Mr. Etches; still further extended and confirmed by Captain Vancouver, are not national, wherefore it happens that the name of Captain Cook, and those of this succession of able and respectable mariners, have been heard any where but in Leadenhall-street? Was it for this Company that the discovery of a north-west passage to China became a national object, and that His present Majesty's views were unceasingly directed to the ascertainment of the existence of that passage or not? Was it for this Company that the following clause was inserted in Captain Cook's instructions, signed by the then Lords of the Admiralty, on his last voyage?

“ At whatever places you may touch in the
“ course of your voyage, where accurate observa-

" tions of the nature hereafter mentioned have not
 " already been made, you are, as far as your time
 " will allow, very carefully to observe the true situa-
 " tion of such places, both in latitude and longitude;
 " the variation of the needle; bearing of headlands;
 " height, direction, and course of the tides and cur-
 " rents; depths and soundings of the sea; shoals,
 " rocks, &c. and also to survey, make charts, and
 " take views of such bays, harbours, and different
 " parts of the coast, and to make such notations
 " thereon *as may be useful either to navigation or*
 " *commerce*. You are also carefully to observe the
 " nature of the soil, and the produce thereof; the
 " animals and fowls that inhabit or frequent it; the
 " fishes that are to be found in the rivers or upon
 " the coast, and in what plenty; and, in case there
 " are any peculiar to such places, to describe them
 " as minutely, and make as accurate drawings of
 " them as you can; and if you find any metals, mine-
 " rals, or valuable stones, or any extraneous fossils,
 " you are to bring home specimens of each; as also
 " of the seeds of such trees, shrubs, plants, fruits,
 " and grains, peculiar to those places, as you may be
 " able to collect, and to transmit them to our Secre-
 " tary, that proper examination and experiments
 " may be made of them. You are likewise to observe
 " the genius, temper, disposition, and number of
 " the native inhabitants, where you find any; and
 " endeavour, by all proper means, to cultivate a
 " friendship with them; making them presents of
 " such trinkets as you may have on board, and they
 " may like best; inviting them to TRAFFIC, and
 " shewing them every kind of civility and regard;

“ but taking care, nevertheless, not to suffer yourself
 “ to be surprised by them, but to be always on your
 “ guard against accidents.”

As a preliminary ground for the interference of Government in behalf of the Company, it ought at least be made appear that the Indian and Chinese trades are prosecuted to the utmost extension they are capable of; but, independently of the mere geographical line, which it is imagined not even *all* the commercial ability of Great Britain, flowing along that line only, would be capable of occupying, Viscount Valentia has suggested several new objects of a beneficial trade within the limits of their charter neglected by the Company, and consequently wholly lost to Great Britain; and if the Company do not, or cannot, fully embrace these objects, Government will scarcely be prevailed upon to assist in excluding those who *will* and can embrace them.

But a stronger ground yet remains to be alleged for a free trade, independently of their charter. The Government formally stands pledged to the public, and for many years past has stood so pledged, to open, or essentially and beneficially to facilitate, every description of trade within the geographical limits, or within the spirit and meaning of the charter. Government itself has prompted the free commercial body of the empire to claim all the benefits to be derived from these discoveries; it has emphatically held out to that body a most decidedly constructive assurance, that its just

and reasonable anticipation of those general benefits will not, and ought not to be frustrated.

For in the introduction prefixed to an official publication of Captain Cook's Voyage, performed in the years 1776, 1777, 1778, 1779, and 1780, the author of that introduction, writing, it should be remembered, under the avowed sanction, and in the employ of Government, thus expresses himself:—"Every nation that sends a ship to sea will partake of the benefit; but Great Britain herself, whose commerce is boundless, must take the lead in reaping the full advantage of her own discoveries.

"In consequence of all these various improvements, lessening the apprehensions of engaging in long voyages, may we not reasonably indulge the pleasing hope, that fresh branches of commerce may, even in our own time, be attempted and successfully carried on? Our hardy adventurers in the whale fishery have already found their way, within these few years, into the South Atlantic; and who knows what fresh sources of commerce may still be opened, if the prospect of gain can be added to keep alive the spirit of enterprize? If the situation of Great Britain be too remote, other trading nations will assuredly avail themselves of our discoveries. We may soon expect to hear that the Russians, now instructed by us where to find the American continent, have extended their voyages from the Fox Islands to Cook's River and Prince William's Sound. And if Spain itself should not

“ be tempted to trade from its most northern
 “ Mexican ports, by the fresh mine of wealth dis-
 “ covered in the furs of King George’s Sound,
 “ which they may transport in their Manilla ships,
 “ as a favourite commodity for the Chinese mar-
 “ ket, that market may probably be supplied by
 “ a direct trade to America, from Canton itself,
 “ with those valuable articles which the inhabi-
 “ tants of China have hitherto received only by
 “ the tedious and expensive circuit of Kamschatka
 “ and Kiatchta.

“ These and many other commercial im-
 “ provements may reasonably be expected to result
 “ from the British discoveries, even in our own
 “ times; but if we look forward to future ages,
 “ and to future changes in the history of com-
 “ merce, by recollecting its various past revolu-
 “ tions and migrations, we may be allowed to
 “ please ourselves with the idea of its finding its
 “ way at last throughout the extent of the regions
 “ with which our voyages have opened an inter-
 “ course; and there will be abundant reason to
 “ subscribe to Captain Cook’s observation with
 “ regard to New Zealand, which may be applied
 “ to other tracts of land explored by him, that
 “ ‘ although they be far remote from the present
 “ trading world, we can by no means tell what use
 “ future ages may make of the discoveries made
 “ by the present*.’ In this point of view, surely
 “ the utility of the late voyages must stand con-
 “ fessed.”

* “ Cook’s Voyage, Vol. I. page 92.”

Recurring to this official, this national document, Government cannot intend the commercial body of Great Britain to be still excluded the great objects, by that document so fully delineated; and therefore it cannot intend the perpetuity of the East India Company's charter. The language, it may be repeated, so held by the Government in 1784, is utterly incompatible with, and contradictory of the language of assent now held on the part of Government, at the present period, relative to the continuance of a close and unmodified monopoly of the China trade; whether wisely, justly, or in good faith or not, it will be for the wisdom of Government to re-consider, and for parliament to determine.

Captain Cook was not a mere navigator; There was something else about him besides a capability of distinguishing, with a sailor's ken, a promontory, or a reef of rocks; that, as a seaman, he thoroughly comprehended, and was practically acquainted with, all the immediate and relative duties of that difficult character is the least of his praise, because there are thousands in the service who, with him, may claim to be distinguished for an equal knowledge of those duties: but, to the practical acquirements of an experienced commander, he added the far extended views of an able theorist in commercial speculation, and these could not fail to be adopted by the officers who accompanied him in his several voyages. Captain King, who, on the deaths of Captains Cook and Clerk, in the course of the last voyage, became commander of the *Discovery*, one of the vessels

engaged in the last expedition to the North Pacific, and who wrote the account of that voyage, thus expresses himself. "The rage with which our sea-
 " men were possessed to return to Cook's River,
 " and, buy another cargo of skins, to make their
 " fortunes, at one time was not far short of mu-
 " tiny; and I must own I could not help indulg-
 " ing myself in a project, which the disappoint-
 " ment we had suffered, in being obliged to leave
 " the Japanese Archipelago, and the northern
 " coast of China unexplored, first suggested, and,
 " by what I conceived, that object might still be
 " happily accomplished through means of the East
 " India Company, not only without expence, but
 " even with the prospect of very considerable ad-
 " vantages. Though the situation of affairs at
 " home, or perhaps greater difficulties in the exe-
 " cution of my scheme than I had foreseen, have
 " hitherto prevented its being carried into effect,
 " yet, as I find the plan in my journal, and still
 " retain my partiality for it, I hope it will not be
 " entirely foreign to the nature of this work, if I
 " beg leave to insert it here.

" I propose, then, that the Company's China
 " ships should carry an additional complement of
 " men each, making in all one hundred. Two ves-
 " sels, one of two hundred, and the other of one hun-
 " dred and fifty tons, might, I was told, with proper
 " notice, be readily purchased at Canton: and as
 " victualling is not dearer there than in Europe,
 " I calculate that they might be completely fitted
 " out for sea with a year's pay and provisions for
 " six thousand pounds, including the purchase.

“ The expence of the necessary articles for barter is
 “ scarcely worth mentioning. I would by all means
 “ recommend that each ship should have five tons
 “ of unwrought iron, a forge, and an expert smith,
 “ with a journeyman and apprentice, who might
 “ be ready to forge such tools as it should appear
 “ the Indians were most desirous of. For, though
 “ six of the finest skins, purchased by us, were got
 “ for a dozen large green glass beads, yet it is well
 “ known, that the fancy of these people for articles
 “ of ornament is exceedingly capricious, and that
 “ iron is the only sure commodity for their market.
 “ To this might be added a few gross of large
 “ pointed case knives, some bales of coarse woollen
 “ cloth, (linen they would not accept of from us,)
 “ and a barrel or two of copper and glass trinkets.
 “ I have here proposed two ships, not only for the
 “ greater security of the expedition, but because
 “ I think single ships ought never to be sent out
 “ on discoveries: for where risks are to be run,
 “ and doubtful and hazardous experiments tried,
 “ it cannot be expected that single ships should
 “ venture so far as where there is some security
 “ provide against an untoward accident.

“ The vessels being now ready for sea, will
 “ sail with the first south-westerly Monsoon, which
 “ generally sets in about the beginning of April.
 “ With this wind they will steer to the northward,
 “ along the coast of China, beginning a more
 “ accurate survey from the mouth of the river
 “ Kyana, or the Nankin river, in latitude thirty
 “ degrees, which I believe is the utmost limit of
 “ this coast hitherto visited by European ships.

“ As the extent of that deep gulf, called Whang
 “ Hay, or the yellow sea, is at present unknown,
 “ it must be left to the discretion of the commander
 “ to proceed up it as far as he may judge prudent;
 “ but he must be cautious not to entangle himself
 “ too far in it, lest he should want time for the
 “ prosecution of the remaining part of his enter-
 “ prize. The same discretion must be used, when
 “ he arrives in the straits of Tessoï, with respect
 “ to the islands of Jeso, which, if the wind and
 “ weather be favourable, he will not lose the oppor-
 “ tunity of exploring.—Having proceeded to the
 “ latitude of fifty-one degrees forty minutes, where
 “ he will make the southernmost point of the
 “ island of Sagaleen, beyond which the sea of
 “ Okotzk is sufficiently known, he will steer to
 “ the southward, probably in the beginning of
 “ June, and endeavour to fall in with the southern-
 “ most of the Kurile islands. Ooroo or Nadeeg-
 “ sda, according to the accounts of the Russians,
 “ will furnish the ships with a good harbour, where
 “ they may wood and water, and take in such
 “ other refreshments as the place may afford.
 “ Toward the end of June, they will shape their
 “ course for the Shummagins, and from thence to
 “ Cook’s river, purchasing, as they proceed, as
 “ many skins as they are able, without losing too
 “ much time, since they ought to steer again to
 “ the south-ward, and trace the coast with great
 “ accuracy from the latitude of fifty-six to fifty
 “ degrees, the space from which we were driven
 “ out of sight of land by contrary winds. It should
 “ here be remarked, that I consider the purchase

“ of skins, in this expedition, merely as a secondary
 “ object for defraying the expence ; and it cannot
 “ be doubted, from our experience in the present
 “ voyage, that two hundred and fifty skins, worth
 “ one hundred dollars each, may be procured
 “ without any loss of time, especially as it is pro-
 “ bable they will be met with along the coast to the
 “ southward of Cook’s river.

“ Having spent three months on the coast
 “ of America, they will set out on their return to
 “ China early in the month of October, avoiding,
 “ in their route, as much as possible, the tracks of
 “ former navigators. I have only now to add,
 “ that if the fur trade should become a fixed ob-
 “ ject of Indian commerce, frequent opportunities
 “ will occur of completing whatever may be left
 “ unfinished, in the voyage of which I have here
 “ ventured to delineate the outlines.”

The reader will not fail to be struck with this truly magnificent sketch of what British energies, had they been allowed to unfold and display themselves, might have rendered their own ; that body of men, to whom it was dedicated, however, did nothing ; their inability, or their apathy, might occasion national regret, that a prospect so stupendous, so fertile in commercial advantages of the first order, should not only be beheld by them with an averted eye, but that the vision of every other man directed towards it and who might desire to tread the teeming fields immeasurably stretched out beneath him, should, through the bleak illusions of the Company, become blighted or destroyed. The factors, servants, and agents of the Company,

whose good faith was pretended to be guarantied, were the very men who rendered abortive, at least in British hands, every rational effort made to give effect to these great and national promises of solid commercial advantages.

It is most especially worth remarking, that the Company's exclusive China trade, injured in many important respects in the manner the letters of the Noble Marquis shew it to have been injured, is now attempted to be fortified by an assertion on the part of the Company, that the British private trade to China, for many years past, has not been a profitable one to those embarked in it; and that the opportunities of tonnage offered to those willing to embark in it have, by reason of the unprofitableness, not been embraced.

The facts and documents adduced on the present occasion, however, clear away the pestiferous fog thus spit out by the authors of these assertions. The private trade to China, it may be presumed, is their own; it is to be presumed they intend it shall remain their own; and they think they cannot better clothe their illusions in a semblance of reality, than by a bold and even proved assertion, that the private trade to China for a series of years past has been a losing one.

How should it be otherwise, when entrusted to their fostering hand? A vulture protecting a lamb indeed! Has it been enquired of these witnesses on the part of the Company, what fortunes themselves have made, and how? Let Messrs. * * * * and * * * * and * * * * and * * * * all now in England, be examined on oath. Let

Mr. * * * * * be requested to descend from the directorial chair, and explain the affair of the ship *Loudoun*, *alias* "the Imperial Eagle, from Ostend!" Let the connection with Mr. John Henry Cox, named in the letter of the Noble Marquis, be explained. Let them explain what they are well able to explain, and ought to be made explain, and then still less plausibly may it be insisted, that the trade to China remain under the absolute controul of the Company.

Before the Company, as well as elsewhere, some men, not wholly strangers to the China trade, have already been arraigned: it is said they were made to understand, that their quitting China would not be objected to; but there is good reason for imagining that this hint operated on the name only. The private trade to China has been a losing one; and it is little doubtful, that if it be to be regulated, as it is called, by the agents, factors, and servants of the Company, it must continue to be a losing one.

Had the Messrs. Etches been allowed to reap the field they had so spiritedly attempted to cultivate under the auspices of Mr. Pitt's administration, the harvest of the labour would have been England's only; not America's, Russia's, nor any other power's on earth. At the period of Messrs. Etches' expedition, Russia, with whom, exclusively, the China fur-trade had been long carried on, but in a mode different in all its details from that purposed to have been established according to the plan of Captain King, was at war with China, and so continued to be for the

space of eight years, viz. from 1784 to 1793. The immense consumption, not of China only, but also of Corea and Japan, and their dependencies, England might have wholly or very largely supplied; for, encouraged by the well-measured plans of Messrs. Etches (had not the foulest means been adopted to frustrate them), English capital would have been embarked in any amount requisite to realize an opportunity of extensively benefiting by that war. The agents, factors, and servants of the Company, embarked in the trade, but working as they were with stolen tools, and under no character that they dared avow, though in habitual violations of their duty "*omnia audax perpeti*," could not be imagined to have concentrated within their own faculties those of the great British commercial body.

That the Russian and Chinese war existed during the period stated, and that such war particularly suspended the Russian fur-trade, is matter of history, and will also be evident by referring to Nos. V. and VI. Appendix.

Copies of the documents referred to by these affidavits, in Russ, are in the author's possession, and they may be inspected by those who are conversant in that language.

It should also be observed, that the fur-trade being carried on in a very limited degree by the agents, servants, and factors of the East India Company, and by their conduct towards those embarked in it, British capital was diverted or withdrawn from it; and, with the exception of the share those agents, servants, and factors, still contrived to retain in it, that trade ceased to be a

British object : and on the conclusion of the war between Russia and China, with all the superadded advantages that **British** nautical skill and ability had originated and supplied, the trade in skins similar to those collected on the north-west coast of America, was again taken up by Russia. It may be observed, that the principal establishment of this power is at Port Etches, on this coast; and thus streams which, skilfully conducted, might have fertilized an empire wholly British, were left to flow over and enrich an alien or a forbidden soil.

The East India Company has complained, that its “ case has been deeply injured by prejudice, ignorance; erroneous assumptions, and, of late, by unfair representations, canvass, and intimidation;” * but while it appears justly to apprehend an efficient Government, uninfluenced by insulated views and disdaining the selfish reciprocity of support which narrow statesmen may have thought necessary to promote their measures, the Company seems unwilling to number and array its greatest and most formidable enemies,—increasing Knowledge, Truth, Justice, and Common Sense.

* See Resolutions 5th May, 1812, published in the newspapers,

APPENDIX.

Appendix, No. I.

The Clauses contained in a Licence from the East India Company, referred to pa. 23, *ante*.

THE Licence is in the form of an Indenture, which, after stating the parties' names, recites as follows : —“ Whereas the said United Company, by virtue of sundry charters and acts of parliament, are entitled to the sole and exclusive trade, and the sole and exclusive privilege of going to and frequenting the East Indies, and the countries and parts of Asia and Africa, and all islands, ports, havens, cities, creeks, towns, and places of Asia, Africa, and America, or any of them, beyond the Cape of Bona Esperenza to the Straits of Magellan, where any trade or traffic of merchandize hath been, is, or may be used or had; and no person or persons whatever, being a British subject or subjects, can lawfully go to or frequent, trade or traffic to or in the places aforesaid, or any or either of them, without the licence and authority of the said United Company: And whereas the said—(the parties' names to whom the Licence was granted)—

have formed a design to engage in an adventure to the north-west coast of America, and there to settle small factories, for the purpose of purchasing and procuring furs, and such other goods, the produce of that country, as may be sold and disposed of at the places hereinafter particularly mentioned, within the limits of the said United Company's trade and privilege; and have applied to the said United Company, and requested licence and permission to carry on the said trade, in such manner as that the same may not interfere with or prejudice the said United Company, in the trade or traffic carried on, or to be carried on and used by them: And whereas the said adventure hath been under the consideration of His Majesty's Ministers, and the same being approved by them, and it being esteemed to be of importance to this kingdom to endeavour to open and establish such a trade, it hath been recommended to the said United Company by His Majesty's Ministers to licence, countenance, and encourage the same; and thereupon the said United Company hath agreed to licence and authorize such trade, under, and subject to, such conditions and restrictions as hereafter are also mentioned." The Indenture then witnesseth, "that for the purpose of encouraging and promoting the said undertaking, the said United Company give and grant unto the parties and their agents, full and free licence, power, and authority, to proceed *for one voyage with the ships, &c.* to the Isles of Japan, and other places to the northward thereof, with cargoes of furs and other goods, the produce of the north-west coast of America, and to

dispose of such goods by sale or barter at the said Isles of Japan, or other places to the northward thereof; and in case such goods cannot be disposed of there, then with free liberty to explore and dispose of the said goods along the coast of Corea, in their way down to Canton; and, finally, to proceed to the port of Canton, in the empire of China, and there put themselves under the directions of the supra-cargoes and agents of the said United Company, and afterwards return to Europe." The parties are then made to covenant, that "in case the (goods) cannot be disposed of at the Japanese Islands, or to the northward thereof, then that they shall trade with the said ships, and endeavour to dispose of the said goods on the coast of Corea, in their way down to Canton; and as soon as the said ships, respectively, shall have finished their trade at the Japanese Islands or other places to the northward thereof, or on the coast of Corea, they shall go directly to Canton in China, and there submit and demean themselves agreeably to such orders and instructions as they shall receive from the said United Company's supra-cargoes; and that the supra-cargoes and agents of the parties, and the commanders of the said ships, respectively, shall forthwith after their arrival at Canton aforesaid, deliver to the supra-cargoes of the said United Company an account in writing of all the goods or money obtained by them, or any of them, by barter or sale at the Japanese Islands or the places to the northward thereof, or on the coast of Corea; and of all American and European goods, if any remaining undisposed of; and also of all the stores of and

belonging to the said ships, respectively ; and also that all money received at the Japanese Islands or other parts to the northward thereof, or on the coast of Corea, for the furs and other goods procured on the north-west coast of America, sold at such places, shall be paid into the said United Company's treasury at Canton, for bills of exchange, as hereinafter is mentioned ; and with respect to furs and other American goods remaining unsold when the said ships shall arrive at Canton, the same shall be offered to the supra-cargoes of the said United Company, at a fair price, and if the said supra-cargoes cannot or shall not see proper to agree for the purchase thereof, then such of them as shall be proper for sale at China shall be delivered to the said supra-cargoes, to be sold by them, on the customary commission, on account of the parties, and the money arising therefrom shall be paid into the said United Company's treasury, for bills of exchange as aforesaid ; and in respect to such of the said goods as shall be more proper for sale in India, the same shall be sent and consigned, as there shall be an opportunity, by returning ships, to the governors and councils of some or one of the said United Company's presidencies in India, to be sold there, on the customary commissions of such presidency, on account of the persons concerned in the said adventure, and the produce thereof shall be remitted to England, through the said United Company's treasury, by bills of exchange ; and in respect to all European goods, and the stores of the said ships, the same shall be brought back to Europe, or used by the said ships in their voyage, and no part thereof

shall be sold or disposed of at any place or places within the limits of the said United Company's trade; and if the persons concerned in the said adventure, or their supra-cargoes or agents, shall refuse to sell and dispose of their American goods, except furs, which shall not be left at China, which may be brought home; and goods obtained by barter, in manner aforesaid: then the licence of the said ships, respectively, to remain within the said Company's limits, shall cease; and the said United Company shall not be obliged to load them home; and the said ships shall forthwith return to Europe, and deliver the said goods into the said United Company's warehouses, to be sold at the said United Company's sales, and one half part of the nett produce of such sale shall be kept and retained by the said United Company for their own use, and the other half thereof shall be paid to the parties; and if the persons concerned in the said adventure, or the masters and the commanders of the said ships, shall refuse or neglect to return to Europe with the said goods, or on arrival shall not deliver the same and every part thereof to the said United Company to be sold as aforesaid, then and in either of the said cases, the parties shall forfeit and pay to the said United Company the sum of £5000 for every such refusal and neglect: And also, that before the said ships shall proceed on the said voyage, there shall be delivered to the said Company a true and exact list of all persons concerned in the said adventure, subscribed by themselves respectively, and also of the agents sent out on the said adventure, and of the commanders, officers,

and seamen, and all other persons employed therein and in the said ships; and also that, within seven days next after the arrival of the said ships in the port of London, or within fourteen days after their arrival in any other port of this kingdom, on their return voyage, or the return of any other ship or ships returning home in their places, the masters and commanders of the said ships, respectively, shall deliver to the said United Company the original and true journals and log-books of the said ships, which shall contain the accounts of all the said ships' proceedings, from the time of their departure from Europe to the time of their arrival in Great Britain, for the perusal and inspection of the said United Company; but the contents thereof are not to be disclosed or made public, except to Government, without the consent of the parties concerned in the said adventure; and in case they should refuse or neglect to deliver the said journal and log-books, the parties shall forfeit and pay to the said United Company the sum of £2000."

Then follows this Covenant on the Part of the Company.

And the said United Company do for themselves and their successors covenant, promise, and agree to and with the parties, That in case any goods shall be delivered to the said United Company's supra-cargoes at Canton, assigned to be sold by them pursuant to the covenants and agreements aforesaid, then and in such case the said

United Company shall be answerable for the said supra-cargoes DULY ACCOUNTING FOR THE SAID GOODS; and also, that in case any goods belonging to the said adventure shall be sent to any or either of the said United Company's presidencies in India, to be sold on commission as aforesaid, the said United Company shall be answerable for the governors and council who shall receive the same, that they SHALL DULY ACCOUNT FOR THE SAID GOODS, and pay the money arising from the same into the said United Company's treasury at such presidency.

Appendix, No. II.—Referred to pa. 23, *ante*.

Letter from Marquis Cornwallis addressed to Henry Browne, Esq. &c, Supra-cargo, at Canton.

In addition to the Letter from the Board, I am under the necessity of stating to you, that some of the most respectable merchants of this place have represented to me, that they have received great complaints from their agents of the obstruction they have met with in their mercantile adventures at Canton. I am extremely unwilling to give credit to a report so injurious to private characters, and if well-founded, so destructive to the interests of the Company. But they have ventured to assert, that some of the supra-cargoes have engaged in Private Trade, which they partly carry on under the name of Mr. Cox, a free mer-

chant; and in many instances make use of their influence to force private traders to buy and sell their opium, and other commodities, upon disadvantageous terms. It is with reluctance I commence my correspondence with you on an unpleasant subject; but I feel myself called upon to make further enquiries here, on arrival of the remaining ships of the season; and I trust on your part you will give the matter a thorough investigation. I have thought it necessary to mention the subject in the last dispatches to the Court of Directors; but can assure you, with great truth, that it would give me the greatest pleasure to be convinced that my apprehensions for the general interest of the Company, and particularly for that branch of trade of this country which is carried on with great hazard and is by no means flourishing, have been without foundation.

(Signed) CORNWALLIS.

Calcutta, 5th Jan. 1787.

Appendix, No. III.—Referred to pa. 23, *ante*.

Letter from Marquis Cornwallis, Charles Stewart, Esq. and J. Shore, Esq. (now Lord Teignmouth), addressed to Henry Browne, Chief Supra-cargo, at Canton.

Sensible of the advantage the Company must derive by their exports to China's being increased, we shall use our utmost exertions to supply

you with every aid that the resources of Bengal will admit: but we shall fail in our endeavours to do this, unless the merchants of India trading to China receive every support from you. We have heard, though from private authority, that many obstructions are experienced by merchants and owners of private ships trading to Canton, of so discouraging a nature, that it is to be apprehended that this source of your supplies will be totally lost, unless the influence through which these obstructions arise be speedily and effectually removed. The consequence to the Company, if such were the case, is too obvious to need a comment;—the loss of revenue to our settlements, by the non-export of their commodities—the loss of supplies to China, by the amount of such exports being withheld from you: for it is not possible to expect, that the East India Company can be enabled to furnish, annually, supplies in specie equal to your wants; nor can there be any other mode of furnishing your treasury, than by the commodities of India being sold in China; but this trade CANNOT BE CARRIED ON UNDER A COMPETITION WITH THE COMPANY'S AGENTS THERE.

(Signed)

CORNWALLIS.

CHAS. STEWART.

J. SHORE.

Fort William, 29th Jan. 1787.

Appendix,

Appendix, No. IV.

Note from George Rose, Esq. to Mr. Richard Cadman Etches, referred to p. 37.

“ Mr. Rose presents his compliments to Mr. Etches, and congratulates very him heartily on the accounts he has received of the arrival of the two ships in China.—Mr. Rose will be rejoiced to hear the adventure turns out as advantageously as the adventurers originally expected, whose exertions deserved such a return.

“ Treasury, May 1, 1787.”

Appendix, No. V.

Affidavit of the Deponent, Joseph Fawell, referred to pa. 59, *ante*,

Joseph Fawell, of the city of St. Petersburg, merchant, maketh oath and saith, that the paper marked No. 1, hereunto annexed, is a copy of an extract recently made from the archives of the Senate of this city, and was made at the request and application of this deponent. And this deponent further saith, that the printed paper marked No. 2, hereunto also annexed, was also obtained lately from the above-mentioned archives, and is a public Ukase or order, according to the Russian laws, by which the people are informed of all public new laws, orders, or regulations. And this deponent further saith, that by the said annexed

paper, marked No. 1, the market of Kintka and of other frontier places was ordered to be shut up, and all commercial intercourse between the subjects of Russia and China was prohibited in August, 1785; and by the annexed paper marked No. 2, dated the 22d day of April, 1792, the commerce and friendly intercourse between the subjects of Russia and China was restored. And this deponent lastly says, he believes the above documents to be just and true.

(Signed) JOSEPH FAWELL.

Sworn before me this
7th day of Jan. 1802,

L. K. Pitt, A. M. Chaplain to the
British Factory in St. Petersburg.

Witness, William Wilby.

Appendix, No. VI.

Affidavit of the same Deponent, referred to
pa. 59, *ante*.

Joseph Fawell, of the city of St. Petersburg, merchant, maketh oath and saith, that the paper hereunto annexed, marked No. 1, was extracted, on his application, from the archives of the custom-house of St. Petersburg, and was made and delivered to him by Clexey Traflioff, the secretary in that department, and contains an account of some furs or skins which had been forwarded to the market at Kiatka, in the years 1783,

1784, and 1785, at which last period the trade and commerce between the Chinese and Russians ceased; that in 1792 the commerce and intercourse between the two nations being again opened and restored, the said papers contain a further account of some furs and skins which had been forwarded to the market at Kiátka, in 1792, 1793, and 1794; but this deponent further saith, that the said annexed account, as he is informed and believes, contains a very small proportion of the skins and furs employed in the trade to the Chinese frontier; for it contains only an account of those skins or furs for which certificates were granted on passing the Chinese frontier, to entitle the owners to a drawback at the custom-house of St. Petersburg, and that a great proportion pass the frontier without any certificate whatever; and also that a great part of the goods unemployed in that commerce are forwarded from Riga and other ports direct to Moscow, and join the caravans there. And this deponent further saith, that the paper hereunto annexed, marked No. 2, was delivered to him by Mr. William Doughty, who has been concerned in a very extensive commerce between Moscow and Kiátka for many years last past, and who procured the said extract from the books of a very old mereantile house in Moscow, extensively engaged in the above commerce, as he informed this deponent. And this deponent further saith, that at the time he received the said document, marked No. 2, the said Mr. Doughty added, that the said commerce was almost wholly carried on by way of barter, without specie, and

that for the goods they received in barter, they generally calculate on a profit of from 80 to 100 per cent. And this deponent further saith, that the above trade and commerce was prohibited and shut up by the Chinese Government, about four months previous to the orders issued by the Russian Government for that purpose, and was opened by the Chinese Government about three months previous to the orders issued by the Russian Government for restoring the commerce and friendly intercourse between the two nations, as appears by the annexed papers, marked No. 1 and No. 2, and as appears by the official documents, marked No. 1 and No. 2, mentioned in this deponent's former affidavit in this matter. And lastly, this deponent saith, that by the annexed paper, marked No. 1, it appears that skins and furs had been sold by the Chinese at Kiatka, and a certificate returned from thence to the custom-house at St. Petersburg, in June, in the year 1792.

(Signed) JOSEPH FAWELL.

Sworn before me this
12th day of Feb. 1802,

L. K. Pitt, A. M. Chaplain to the
British Factory in St. Petersburg.

THE END.

ERRATA.

Pa. 8 line 12 read "through the salutary."

12 — 4 read "phænomenon"

13 — 15 after "evil," insert "the trade may afford

50 from line 16 to the bottom ~~delete~~ the inverted commas.

30, bottom line, for "extensively" read "exclusively"

31 from the top to the word "this" on the 8th line ~~delete~~ the inverted commas,

